

Scientific Circulation Management

FOR NEWSPAPERS

BY

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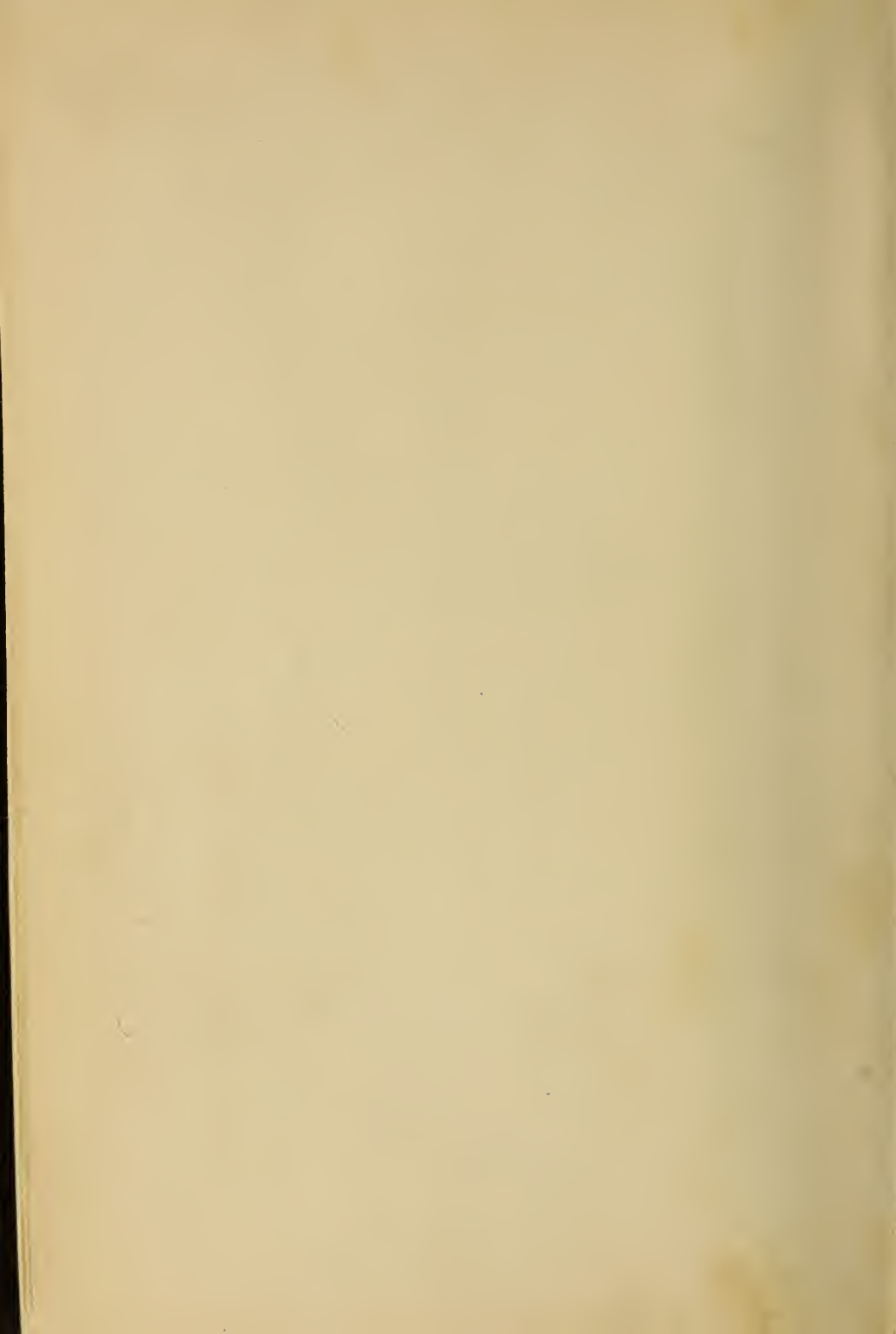
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TO
EDWIN J. PAXTON
A REPRESENTATIVE AMERICAN
NEWSPAPER PUBLISHER



INTRODUCTION

There are 24,724 newspapers and periodicals in the United States and Canada, and each one of them has a circulation problem. In this volume, the problems of newspaper circulation alone are considered, for it would be impracticable to cover periodical circulation also in the same volume, though the two have many fundamental principles in common.

6 The daily, triweekly, semiweekly, and weekly newspapers in the United States and Canada number 20,777. Of this total, the United States has 18,825, divided into 2,502 dailies and 18,323 weekly newspapers. Among the dailies of this country there are approximately three evening papers to each morning paper.

Owing to the rapidity with which circulation management has come to the fore as the supreme problem in newspaper publishing, the time is not distant when as many books on the subject will be available for the student or the beginner in the work as may be had upon the other major branches of newspaper publishing — editorial and advertising. At the present time the only information available is in the trade press and in the bulletins of the International Circulation Managers' Association, issued bimonthly. This work, consequently, is a pioneer effort.

One of the main difficulties in an attempt to reduce circulation management to principles, or to standardized practice, is to establish the natural boundaries of the subject. A narrow conception would say: "The editorial function is to produce a newspaper which the public will buy; the circulation

function is to see that this product reaches its market." But in actual practice this concept is violated constantly. The circulation manager nowadays invades the editorial rooms with hints and suggestions on policies and features that will attract or hold readers, and often his advice means the difference between success and failure.

The governing idea in this volume is that of the circulation manager as a creative force in the publishing organization. No longer is he thought of as the man in the basement doling out newspapers to newsboys. In the best organizations, the circulation manager has won and will maintain an equality with the managing editor and the advertising manager. There are numerous reasons for this enlarged dignity and responsibility. One has only to observe the aggressive efforts of newspapers to increase their subscription lists, or sales, to realize that circulation management is now a profession in itself, just as much so as journalism or advertising.

In a field where there are several newspapers of practically uniform merit, the circulation manager will be a decisive factor in winning for one of them the foremost position. And certainly he will be the chief factor in maintaining an inferior newspaper upon a going basis. The prime reason, however, for the higher valuation of the circulation manager is found in the new standard of honesty in circulation figures. Formerly, the circulation manager headed the department about which much lying was done. The advertising department frequently misrepresented circulation by claiming a subscription list which did not exist, or if it did, owed its existence to a distribution with many unhealthy aspects.

Today, the two outstanding facts are the willingness of publishers to tell the truth about circulation, and the determination of advertisers to know the truth before placing an order. The consequence is that the circulation manager is in the open on firm ground, and the maintenance of a normal circulation

by sound promotion methods becomes a problem of the first order.

For much of this circulation manager's must thank the Federal Government, which enacted the law requiring regular circulation statements, and thereby made circulation a definite commodity, and the manager, or producer of it, himself, a more important personage.

Other agencies, like the organization of the International Circulation Managers' Association, have contributed to increase his prestige, until it has become a common practice with publishers to promote the circulation manager to the position of business manager.

More and more publishers are realizing that a publication must be marketed by the same principles that apply to any other commodity, and that the title "Circulation Manager" could as properly be "Sales Manager."

No dogmatizing over any special methods of management has been indulged in this book, but the endeavor has been to consider all methods with an unbiased judgment and to see wherein they have points of contact as well as of divergence. The author has no brief for or against such methods as premiums, contests, and other promotion plans that usually evoke spirited arguments among circulation managers.

Wherever it has been practicable, newspapers are mentioned specifically to illustrate the subject under discussion, but necessarily only a small number, relatively, can be cited and many efficiently conducted circulation departments are not referred to.

The general plan of this book is to give first a historical perspective, second an analysis of basic principles, and third examples of efficient management and standard promotion methods. The veteran circulation manager may not find much, if anything, that is new in the volume, except the effort to take a connected, perspective view of a subject heretofore treated in

piecemeal. The general attitude toward the subject of circulation management has been threefold: primarily, to approach the subject from the viewpoint of the circulation manager; but also from the viewpoint of the advertising department and all those engaged in selling circulation in the form of space; and lastly from the viewpoint of the buyers of advertising space.

Consequently, methods of management which do not seem desirable from the viewpoint of the advertisers — the people who foot most of a newspaper's bills — are analyzed critically and constructively. The book, therefore, should prove useful not only to the circulation managers engaged in producing circulation, but to those who sell it, and to those who buy it.

Full acknowledgment is made to The Fourth Estate — the newspaperman's newspaper — for permission to consult its files. The fine spirit of helpfulness of its business manager, J. A. Savadel, is to the author a pleasant recollection.

A blanket acknowledgment is made to other articles, to circulation managers who courteously assisted in supplying facts, and to sources of information which have slipped from the author's memory. Inasmuch as a pioneer book is largely a digest of other men's experiences, the failure to give specific acknowledgment in some cases is certain, though unintentional.

The word "scientific" is greatly abused, but it is the only one which conveys the idea of exact, thoughtful, and systematic methods in circulation management, and so is used in the title of this book. It is hoped that one effect of a book on circulation management will be to spread this conception of the work, and to stimulate the profession along the lines of present-day tendencies, which promise so much that is desirable.

WILLIAM R. SCOTT.

New York City, July, 1915.

CONTENTS

CHAPTER	PAGE
I THE HISTORY OF CIRCULATION MANAGEMENT .	17
The Rise of the Circulation Manager	
Conditions Producing Modern Circulations	
The International Circulation Managers' Association	
Honesty in Circulation Figures	
The Audit Bureau of Circulations	
Recent Tendencies in Circulation Management	
II CIRCULATION AS A COMMODITY	26
Advertising Not a Commodity	
What the Advertiser Buys	
Circulation and Advertising, Coequal Departments	
III GENERAL FACTORS AFFECTING CIRCULATION . .	30
Factors Not Controlled by Circulation Manager	
1. Editorial Policy	
Adverse Competitive Conditions	
Newspaper Individuality and the Reading Public	
2. Advertising Policy	
Effect of Advertising Policy upon Circulation	
3. Selling Price	
The One-Cent Newspaper	
Increasing the Price	
Paying for Advertising News	
Circulation Revenue vs. Advertising Revenue	
Ratio of News Columns to Advertising Columns	
Relation between Price and Clientele	
Purchasing Power of Subscribers	
Economic Limit of Circulation	
4. Typographical Dress	
5. Color and Quality of Paper	
IV MODERN CIRCULATION MANAGEMENT	44
The Ideal Publishing Organization	
Qualifications of the Circulation Manager	

Departmental Co-operation
 Intensive Circulation Work
 Promoting the Publisher's Policy
 Keeping in Touch with Readers
 The Appeal of Special Features
 Holding the Floating Patronage
 Effect of European War upon Circulation
 Advertising for Circulation
 Scope of Circulation Manager's Duties

V PRINCIPLES OF CIRCULATION MANAGEMENT —
 GENERAL CONSIDERATIONS; ADVERTISING
 AND CIRCULATION REVENUE 57

Fundamental Questions
 Standardization of Circulation Requirements
 Circulation Managers
 Locating the Weak Points

ADVERTISING AND CIRCULATION REVENUE

Revenue Fluctuations
 Meeting Rising Costs
 The Advertisers' Attitude
 Adjusting Circulation and Advertising Revenue
 Production Costs
 Circulation Revenue below Production Cost
 Ratio between Circulation and Advertising Revenue
 Principle Underlying Gross Revenue

VI PRINCIPLES OF CIRCULATION MANAGEMENT —
 STANDARD SALES POSSIBILITIES; ADVERTIS-
 ING RATES AND CIRCULATION 68

Fixing a Circulation Standard
 Standard of Metropolitan Transient Sales
 Standard of Sales in Smaller Cities
 The Retail Trading Radius
 Distribution of Circulation between City and Country
 The State or Mail Edition
 The Best Circulation

ADVERTISING RATES AND CIRCULATION

Variations in Advertising Rates
 Variation between Periodical and Newspaper Rates
 Table of Advertising Rates

CONTENTS

CHAPTER

xi
PAGE

Comparison of Advertising Rates
 "The Gilt Edge Newspapers"
 Rate not Commensurate with Circulation
 Carrying Unsalable Circulation
 Relation between Advertiser and Publisher
 Reducing Unprofitable Circulation

VII PRINCIPLES OF CIRCULATION MANAGEMENT —

RETURNS AND OVERPRINT; SELLING EXPENSE 82

Restriction of Overprint and Returns
 Eliminating Deadheads
 Cutting Down Waste

SELLING EXPENSE

Percentage of Renewals
 Expirations and New Business
 Bad Accounts
 Normal Selling Expense

VIII A MODERN CIRCULATION DEPARTMENT . . . 90

Circulation Department of The Indianapolis News
 Organization Chart
 The Ideal of Individual Service
 Keeping Close to Subscribers
 Mechanism of Distribution
 Handling City Circulation
 Instructions to Substation Managers
 Centralized Control
 The Work of the Carriers
 Indianapolis News Carriers' Association
 Controlling the Carriers
 Creating an "Esprit de Corps" among Carriers
 Instructions to Carriers
 Handling Country Circulation
 Handling Rural Circulation
 Instructions to Solicitors
 The Benefit Association
 Reason for The News' Success

IX CITY CIRCULATION 108

Delivery Systems
 The Philadelphia System
 Home Delivery Systems

St. Paul Carrier System	
Portland (Ore.) Carrier System	
Carrier Service	
Reportorial Value of the Carrier Force	
Carrier Force as an Aid to Advertising Department	
Securing Maximum Results from the Carrier	
Street Sales Competition	
Handling New Subscribers	
Complaints from Subscribers	
Character of Service Rendered	
Carrier Collections	
System in Collecting	
Bonus System for Carrier Collections	
Eliminating the Dead-Beat	
Liability of Subscribers	
Handling Stop Orders	
Circulation Department and the Subscriber	

X SUBURBAN AND RURAL CIRCULATION 121

Advertising Value of Suburban and Rural Circulation	
Rural Circulation vs. Urban Advertisers	
Determining the Retail Trading Radius	
Circulation Outside the Retail Radius	
Handling Suburban Circulation	
Rural Circulation	
Rural Subscription Schemes	
The Rural Solicitor	
Meeting the Farmer's Needs	
Handling the State Edition	
Local Distributions of State Edition	
State Edition and Local Papers	
Prestige vs. Expense in Foreign Circulation	

XI ESPRIT DE CORPS OF THE CIRCULATION DEPARTMENT 133

Circulation Manager's Preparation for His Work	
Circulation Manager's Responsibility	
Efficiency through Personal Influence	
The Carrier Problem	
Extra Compensation for Carriers	
Efficiency Contests	
The House Organ as an Efficiency Medium	
The Proper Use of Rewards	
The Soliciting Force	

CONTENTS

xiii

CHAPTER

PAGE

XII CONSTRUCTIVE CIRCULATION CAMPAIGNS . . . 149

Analyzing Circulation Troubles
The New York Tribune Campaign
The New York Evening Post Campaign
The Record of The New York Times
Circulation Methods in Boston
Hearst Circulation Methods
The Influence of Editorial Excellence

XIII SPECIAL READER-INTEREST FEATURES . . . 159

Holding the Subscriber
Basis of the Special-Feature Appeal
Nature of Special-Feature Appeal
Analysis of Special-Feature Appeal
Main and Subsidiary Appeals of Special Features
Broader Effects of the Special Feature
Suiting the Feature to the Occasion
Advertising and Circulation Co-operation
Special Features and Small Newspapers
Slogans — Distinctive Characteristics

XIV PREMIUMS 172

The Policy of Using Premiums
Basic Principles of the Premium System
The Modified Premium System
The Modified Premium Plan for Periodicals
The Coupon System
Premiums vs. Cash Discount
Psychology of Premiums
Premiums in Other Lines of Business
Premiums in the Competitive Field
The Premium Plan in Practice
Advisability of the Premium Plan
Selection of Premiums
The Premium as a Means of Approach
Premiums for Mail Subscriptions

XV CONTESTS 188

Psychology of the Contest
The Contest Idea in Salesmanship
Timeliness in Contests

Contest Details	
Cost of Contests	
Contests and Advertising Rates	
Forced Circulation	
Frequency of Contests	
Special Place of the Contest	

XVI THE SUNDAY PAPER, SPECIAL EDITIONS, AND SUPPLEMENTS 199

1. The Sunday Paper	
The Sunday Newspaper and the Magazine	
Circulation Limitations of the Sunday Edition	
Advertising in the Sunday Edition	
Selling the Sunday Edition	
Sunday Circulations	
2. Special Editions	
3. Supplements	

XVII CIRCULATION ACCOUNTING 210

Uniform Accounting for Newspapers	
Present Condition of Circulation Accounting	
Effects of Audit Bureau Circulation Requirements	
Analysis of Circulation Accounting	
Forms Used in Circulation Accounting	
Routine of Handling Subscriptions	
The Mailing Room	

XVIII POSTAL REGULATIONS AS TO SECOND-CLASS MAIL 220

The Publisher and the Post-Office	
Regulations as to Contests, Premiums, and Promotion Schemes	
Coupons	
Postal Definitions	
Sample Copies	
Mailing Cost of Second-Class Matter	
New Agents' Mailing Rates	
Credit Renewals	
Handling the Outgoing Mail	
Keeping on Good Terms with the Post-Office	

FORMS

PAGE

I	FORMS RELATING TO SUBSCRIPTIONS AND DELIVERIES	231
	1. Subscription Blank	
	2. Order to Start Delivery	
	3. Subscriber's Receipt for First Copy	
	4. Bad Delivery Complaint	
	5. Complaint Slip	
	6. Stop Order Blank	
	7. " " "	
	8. Time Sheet Automobile Delivery Service	
	9. Rural Solicitor's Order Blank	
	10. Rural Solicitor's Order Sheet for Cash Mail Subscriptions	
	11. "Stop" Record for City Circulation	
	12. Daily Record of Complaints, Stops, and Leaves	
	13. Subscription Index Card	
	14. " " "	
II	FORMS RELATING TO COLLECTIONS	243
	15. Carrier's Receipt for Collections	
	16. " " " " — Continuing Form	
	17. Carrier's Record of Collections	
III	FORMS OF REPORTS	245
	18. Quarterly Statement to Audit Bureau of Circulations (first page)	
	19. Quarterly Statement to Audit Bureau of Circulations (third page)	
	20. District Man's Daily Report	
	21. District Men's Daily Call Sheet	
	22. District Man's Report on Stopped Subscription	
	23. Rural Solicitor's Daily Report	
	24. Rural Solicitor's Town Report	
	25. Rural Solicitor's Weekly Report	
	26. Traveling Representative's Daily Report	
	27. Traveling Representative's Weekly Report	
	28. Special Agent's Daily Report	
	29. Special Agent's Weekly Report	
	30. Special Agent's Weekly Report — Combination Form	
	31. Carrier's Monthly Record Sheet of Subscribers	
	32. Carrier's List of Subscribers	
	33. Daily Press Report	

	PAGE
IV RULES, REGULATIONS, AND ASSOCIATION FORMS	261
34. Rules of the Indianapolis News Association of Carriers	
35. Rules and Regulations for District Men—Indianapolis News	
36. Application for Membership—Indianapolis News Association of Carriers	
37. Constitution and By-laws—Indianapolis News Benefit Association	
38. Benefit Application—Indianapolis News Benefit Association	
V DETAILED INSTRUCTIONS TO SOLICITORS	280
39. Instructions to Solicitors—Indianapolis News	
VI FORMS RELATING TO ACCOUNTS	291
40. Newsdealer and Carrier Record of Daily Drawings of Papers	
41. Ledger Account Sheet for Out-of-Town Newsdealers	
42. Ledger Account Sheet for Local Newsdealers	
43. Statement of Newsdealer's or Route Owner's Account	
44. Carrier's Daily Cash Account	
45. Morning Report of Counter Sales	
46. Afternoon Report of Counter Sales	
47. Subscription Register	
48. Daily Record of Papers Issued to Carriers	
49. Statement of Daily Collections	
VII MISCELLANEOUS FORMS	299
50. Daily Office Record—Substations	
51. Carrier's Pledge	
52. Coal Coupon	
53. Carrier's Christmas Coupon	

CHARTS

	PAGE
1. Distribution of Authority in Daily Newspaper Office	44
2. Organization of Circulation Department	91
3. Circulation Outside Retail Radius	123
4. Analysis of Special Feature Appeal	162

SCIENTIFIC CIRCULATION MANAGEMENT

CHAPTER I

THE HISTORY OF CIRCULATION MANAGEMENT

The Rise of the Circulation Manager

Just who was the first man to hold the position which is now designated "Manager of Circulation" has not been ascertained by the author. Inquiries of some of the older newspapers failed to establish the identity of this individual. The New York Evening Post, 114 years old, reports that Alex. Thompson was the first man to have the title in its organization, being appointed in 1890, twenty-five years ago.

It is not a point of great importance, but it shows that circulation management as a profession came into being with the one-cent dailies in the late Seventies or early Eighties. Prior to that the newspapers allowed their circulations to grow like weeds, whereas now they are carefully cultivated, and sometimes have a hot-house growth.

The old men in the profession — and circulation management is now a profession — have lived to see a wonderful increase in prestige for the occupants of this position. True, in many organizations, the tendency still is to look upon the circulation manager as a kind of super-office-boy, but it is a decadent tendency.

Competition has given that conception the last sad rites.

Successful publishers cannot afford to have a second-rate man in the position. In the higher stratum of newspapers, the circulation manager is on a par with the other officers, draws a big salary and takes week-ends for golf!

As for salaries, the highest today is said to be paid by The Chicago Tribune — \$10,000 a year. The New York Herald is quoted at \$7,500, while other New York, Boston, and Philadelphia papers and those published in cities of approximate size pay \$5,000 or more. The list of papers which pay similar salaries is a long one. From this high mark the figure dwindles until \$10 or \$15 a week on dailies in small towns is rock bottom. But the number of circulation managers who now draw \$100 a week is so large that young men who formerly thought the best opportunities were in the advertising department are seeking openings in the circulation department.

With prizes of this magnitude, and in view of the new importance of the work, it is not surprising to find a constantly rising standard of ability among circulation managers. With the remuneration paid, and the modern tendency of publishers to recruit business managers from the ranks of circulation managers — instead of advertising managers — it is evident that within a few years the circulation manager will far exceed even his present dignity and importance. The reason for the direct line of promotion from circulation manager to advertising or business manager will appear in subsequent chapters.

Conditions Producing Modern Circulations

When the post-office department in 1885 granted a rate of one cent a pound on newspapers, far-sighted managers then could see much of the development that has taken place. The new rate enabled the newspapers to go after mail circulation, and to deliver suburban circulation at a low cost. Then, as the transportation facilities increased and the population grew, the big circulations appeared.

The merchandising influence upon the growth of circulation is one of the most significant. Alert merchants and manufacturers began to see the advertising value of the newspapers, and as they increased their investments in space, the importance of subscribers increased. It was perfectly plain that the more subscribers there were, the more advertising and the more revenue would accrue. This put a premium on circulation, and stimulated the newspapers to great exertions to swell their subscription lists. Then the modern department store came along, using whole pages of space. In any analysis of circulation growth, the department store must be accorded large importance.

The most spectacular figure in the new fight for big circulations was William Randolph Hearst. His effect upon circulation methods has been no less marked than upon editorial methods. The influence of his editorial and news policy preceded his break with old circulation methods, but the innovations in both departments were closely related and to a large extent interdependent. The extravagant lengths to which he went to attract readers had a lasting effect in circulation circles and is chiefly responsible for the high publishing cost of modern newspapers. Such personalities as Joseph Pulitzer and James Gordon Bennett were scarcely less important in their influence upon circulation growth.

The International Circulation Managers' Association

These and other forces gave the circulation manager a new sense of identity, but it was in 1898 before the various abortive attempts to form an organization of circulation managers reached a successful issue. On November 23, 1898, the aggressive spirits met in Detroit, Michigan, and organized "The National Association of Newspaper Circulation Managers" with about thirty-five charter members. W. H. Gillespie and J. L. Boeshans were the prime movers in the Association.

By 1910 it appeared desirable to take in Canadian and other foreign managers, and the name was then changed to "The International Circulation Managers' Association." The annual meeting is in June and the present membership is nearly 400.

In 1907 the Association began issuing an official bulletin, the first number of which appeared in August with D. B. G. Rose as editor. It is a bimonthly and contains practical articles on circulation management contributed by the members. This bulletin has been helpful to the members, affording the only printed instruction, or exchange of ideas, available. The Fourth Estate — the newspaperman's newspaper — has recognized the growing importance of circulation management by printing an article on the subject every week, and other trade papers now treat the subject regularly.

Texas was the first, and is so far the only, state to have a state association of circulation managers. The periodical circulation managers have never organized, but it seems certain that they will before long, for their work is of great importance. Magazine competition is as bitter as any competition in American industry.

A noteworthy feature of the first annual convention of the National Association was the action of Frank P. Glass, of The Montgomery Advertiser, in asking the delegates to advise him on the selection of a circulation manager for his paper. Prior to that, he said he had allowed the circulation work to stumble along in any hands, under his supervision; but he had decided that the position was too important for further haphazard management. This illustrates strikingly the change that has come over publishers in their conception of circulation management.

The annual conventions are notable for their practical and enlightening addresses, and for this reason many broad-visioned publishers encourage their circulation managers to attend them,

and pay the expenses of these managers when they go. Membership is a recommendation to publishers for any applicant for circulation work. The young man ambitious to advance, by all means should join, and should look upon a convention missed as a distinct loss in his struggle for efficiency.

As evidence of the higher development of circulation work, it may be noted that there is now at least one advertised "Consulting Circulation Manager," sustaining the same relation to the newspapers that an expert public accountant does to business accounting.

Honesty in Circulation Figures

There is a new idealism in publishing and it is fully evident in the circulation department. This new idealism is a demonstrable knowledge that honesty is the best policy. James Keeley, publisher of *The Chicago Herald*, in an address in Boston made a plea for American-made products which would command a reputation abroad for quality, and for American business practices which would reflect fairness and sincerity. The newspaper and periodical press is in the van of this movement toward a higher plane of business integrity.

Indicative of this, and by far the most interesting and hopeful sign of the times for the circulation manager, is the new standard of honesty in circulation figures. The latest and most perfect expression of this is the Audit Bureau of Circulations, but it was preceded by numerous missionary efforts to establish circulation on a scientific and honest basis.

Advertisers for a time were willing to buy circulation "sight unseen"; that is to say, they accepted the publisher's statement without question. But the more that advertisers invested in space, the more insistent became the demand for knowledge of what was being bought in the way of circulation. The advertising agencies attempted to obtain this information, and here and there publishers themselves volunteered it.

The American Newspaper Publishers' Association made notable efforts to eliminate dishonesty in circulation figures; the Association of American Advertisers was formed principally of buyers of space to get at the truth; the trade papers hammered at the ideal, and many other organizations and agencies flourished and waned.

One of the best of the efforts made by publishers themselves to elevate circulation to the basis of a definite commodity was the formation of what is termed "The Gilt Edge Newspapers," sponsored by The New York Evening Globe. This group of about 200 newspapers is not incorporated, and its motto is to "Sell Advertising as a Commodity." A more accurate expression would have been to "Sell Circulation as a Commodity," for the avowed purpose of the Association is to furnish full and truthful circulation facts. Its quarterly reports give the net paid and gross circulations, show how this is distributed between the city and country, and quote the maximum and minimum advertising rates. This group of papers will be considered in some detail in another chapter.

The Audit Bureau of Circulations

At present, the comparatively new Audit Bureau of Circulations is the last word in the movement to sell circulation as a commodity. Its headquarters are in Chicago. The object of this Bureau, serving both the newspaper and periodical press and the advertisers, is to furnish accurate information in detail about circulations, such information to be obtained by voluntary reports from the member-publishers,¹ and then verified by the Bureau's own expert circulation accountants. These experts, recruited from the ranks of successful circulation managers, enter a newspaper office and go over the books and dig up the facts in a most thorough and informative manner.

¹ See Forms 18, 19.

The Bureau's semiannual report shows the population of the city (corporate limits) and also of the trading territory outside the city. Within the city the distribution is shown by carriers, newsdealers, street sales, and counter sales. The suburban distribution is shown by carriers, agents, newsdealers, and by mail. The country distribution is shown by newsdealers, and by mail. The foregoing is strictly net paid circulation. Reports must be made on the unpaid distribution—the exchanges, complimentary and sample copies, and the copies going to employees, correspondents and service, advertisers and advertising agents, and those copies used for the office and files.

An analysis of circulation methods also is required, to show all subscription prices by mail or carrier, all special and trial rates, the price of single copies, what returns are allowed, whether premiums are given, whether canvassers are employed on salary or commission, whether subscriptions are obtained in clubs, whether the paper combines with other publications, what percentage of the circulation is sold in bulk to others than newsdealers, whether contests are used, or coupons or voting competitions, the value of premiums and prizes, the sources of any other subscriptions, the condition of subscription collections, what character of advertising is excluded, and what telegraphic or other news service is used.

These questions will show the exhaustive nature of the investigation, and the fact that up to June, 1915, nearly 1,000 publishers and advertisers had become members of the Audit Bureau of Circulations is significant of the trend of circulation ideals. The Bureau is maintained by a graduated scale of dues, based upon circulation for newspapers and periodicals, and upon population for advertisers.

The only criticism of the Bureau that the circulation manager registers, is the provision that circulation reports must be sworn to by the publisher or business manager. This seems

to infer that the circulation manager is not sufficiently important, or reliable, for his sworn signature to be accepted.¹

Lying about circulation has not been a habit of circulation managers, who do not come in contact with the buyers of space. The advertising men are the guilty persons, and the Audit Bureau should be in accord with the modern estimate of circulation management by accepting the affidavit of the circulation manager. Bank reports are made by the cashiers, the men immediately in charge of practical operations, and circulation reports should be made by the manager immediately in charge.

While such minor criticisms of the Bureau may be made, it is a safe prophecy to say that the organization will be permanent, for already it has done such effective work that other organizations having the same object have retired from the field in its favor. Its general influence is to make circulation management one of the really big tasks that any man can undertake. The wise circulation manager will work to have his publication as a member.

Recent Tendencies in Circulation Management

In its 1915 convention, the American Newspaper Publishers' Association considered the question of insuring truthful statements about circulation in the semiannual reports to the Government, and advocated an amendment to the law which would prevent false statements. The result may be that eventually the Government will require thorough and accurate reports under penalties, and in this event, private organizations like the Audit Bureau would be superseded, for, naturally, a really efficient Government bureau would be the standard. But unless the Government reached the Audit Bureau's high standards, a private organization always will be in demand.

Still another evidence that the trend in circulation work is

¹ Since the foregoing criticism was written the Bureau has amended its rules so as to require the circulation manager's signature to reports,

upward is the organization of the International Circulation Builders' Association, with members among the contest companies and other circulation promotion concerns. "Honesty First" is the slogan, and the object is to eliminate fraud in constructive circulation campaigns of whatever character.

The grouping of several newspapers under one ownership, like the nine dailies in the Hearst group, seven in the Shafer group, the Munsey group, and so on, is tending to raise the standard of ability in the profession of circulation management, for while each paper in a group has an individual circulation manager, there is a headquarters' circulation manager who must think in terms of several newspapers instead of one, and this broadening experience evolves the super-circulation-manager.

The Detroit News has created a new position with the title of "Promotion Manager," above the Circulation Manager.

It is noticeable that the magazines are reaching into the ranks of newspaper circulation managers for experienced men. In the magazine field also, the grouping of periodicals under one control is developing high standards of ability among circulation managers. The Hearst group, the Curtis group, the Butterick group, the American Lithographic Company group, the McClure group, the McBride-Nast group, to mention only half a dozen, require circulation managers who can direct three or more periodicals simultaneously.

Veteran circulation managers will think of many facts and events in the history of circulation management which have not been mentioned in this sketch, such as the marvelous development of the printing press with an output of hundreds of thousands of copies an hour, and all the mechanical inventions and perfected paper-making processes which make possible the modern newspaper. But the purpose here is to indicate only the larger forces and main currents in the circulation stream. A volume could be written on this phase alone.

CHAPTER II

CIRCULATION AS A COMMODITY

Advertising Not a Commodity

Anyone who studies newspaper organization is impressed with the commanding position that the advertising department has assumed. The word "assumed" is used purposely, for by strict logic the advertising department is not entitled to the preeminence it enjoys.

Because a newspaper's revenue is derived largely from the sale of space, the mistake has been made of overestimating the relation of this department to the whole enterprise. The gradually increasing importance of the circulation department, as shown on preceding pages, is proof that this misconception is being corrected. The view to be taken in this discussion is that the advertising department in reality is an appendage of the circulation department.

It was pointed out that the group of papers styled "The Gilt Edge Newspapers" (because they tell the truth about circulation) was formed to "sell advertising as a commodity." Now, advertising is not a commodity. A newspaper has only two products to sell, one being news and the other being circulation.

What the Advertiser Buys

The customers of the first product of the newspaper, news, are the public, or subscribers. The customers of the second product, circulation, are the advertisers. It would be just as illogical to say that the white paper is what the subscribers

buy, as to say that space is what the advertisers buy. The paper is merely the medium of conveying the news-product to the subscriber, just as space is the medium of selling circulation to the advertiser.

This is revolutionary doctrine and will cause the advertising men to smile superciliously when they remember the revenue produced through their department. But the position can be supported with irrefutable arguments.

A railroad offers a good comparative illustration. Does a traveler buy a ticket from New York to Chicago, or does he buy transportation between these two points? On the face of things he buys a ticket. But the ticket is only a token. The ticket is evidence that he has bought transportation. This is a perfectly plain case.

Now, does an advertiser buy space, or does he buy circulation? On the face of things he buys space. But the space is only a token. It is evidence that he has bought circulation. The rate he pays is not based, fundamentally, upon the space he uses, but upon the circulation back of that space.

To continue the illustration, the traveler may buy a Pullman berth with his first-class ticket. This merely indicates the manner in which he will be transported to his destination. It determines his privileges while he is being transported. So, an advertiser who buys large or small space is merely buying certain privileges in connection with circulation. He determines by the amount of space he uses the kind of use he shall make of circulation. The space he buys is the style he adopts in using the circulation, just as the Pullman ticket is the style the traveler adopts in riding upon a railroad.

If a newspaper is successful in making advertisers think favorably of its circulation, it will sell them the privilege of using this circulation at a large profit. The business of the advertising department is so to impress advertisers with the paper's circulation as to induce them to make use of it. In

this capacity the members of the advertising department are simply salesmen of circulation, with a head salesman entitled "Advertising Manager."

Circulation and Advertising, Coequal Departments

All this being true, it is an optical illusion to assign the advertising department a higher place in newspaper or periodical organization than the circulation department. The tendency for the last ten years has been unmistakably to realign these departments, and at least to make them equal. In a strictly logical analysis, the advertising department is tributary to the circulation department. Unless the sale of news is made first to the subscriber, there would be no circulation to sell to the advertiser.

The space the advertiser uses becomes vitalized only when the persons who constitute the circulation direct their attention to it. A newspaper, therefore, is an intermediary for the public and the advertiser. It assembles the individuals constituting the public in such a way that the advertiser can reach them by one announcement. Hence, what the advertiser buys is the privilege of talking shop to the people assembled by the newspaper. The fact that he uses space instead of a megaphone is incidental. If a newspaper's subscribers could be gathered into one mammoth auditorium, and advertisers were sold the privilege of addressing them, no one would say that the newspaper sold space on the platform.

As this distinction becomes clearer in the minds of publishers, the circulation manager will take higher rank. In truth, the very much higher rank he has taken in the last ten years is proof that this distinction has dawned in the minds of publishers. And the advertisers themselves have developed the same conception. What other interpretation can be placed on such agencies as the Audit Bureau of Circulations than that advertisers now see clearly that they are buying *circula-*

tion, and wish to know precisely what kind of circulation they are paying for?

The manager of circulation is the pivotal figure in the sales organization of a newspaper or periodical. The editorial department is the manufacturing end. With the product this department turns out, the circulation manager builds up a patronage composed of subscribers and known as circulation. He has then produced a by-product known as advertising, which is simply the granting, on definite compensation, to merchants and manufacturers, of the privilege of using the newspaper's list of customers for the purpose of getting business for themselves.

It is safe to assert that the advertising department of newspapers and periodicals has reached and passed its zenith. The abnormal importance attached to the advertising department, working out into much higher salaries for the head of this department than for the head of the circulation department, is abating rapidly. The fact that the largest revenue comes through the sale of circulation in the form of advertising, rather than through the sale of news, will no longer cloud the issue. The upward movement of the circulation department may not continue so far that it will be superior to the advertising department, but it certainly will not halt until the two departments are absolutely equal, and until the circulation manager is paid as much and ranks as high in the organization as the advertising manager.

CHAPTER III

GENERAL FACTORS AFFECTING CIRCULATION

Factors Not Controlled by Circulation Manager

There are several factors affecting circulation which are outside the control of the circulation manager because the publisher determines them himself. A few of these general factors will be considered here, among them being:

1. Editorial policy
2. Advertising policy
3. Selling price
4. Typographical dress
5. Color and quality of paper

i. Editorial Policy

By editorial policy is meant not only the political bias of the paper, but the broad treatment of news, whether sensational, moderate, or conservative; the scope of the paper's appeal, whether to the masses or a class; and similar policies which go to make up a paper's individuality.

The circulation manager's problem is simplified or complicated according as the publisher elects to follow the main current of local prejudices, or to go contrary to them. If he is circulating a paper of Democratic persuasion in a strongly Republican community, the demands upon his ingenuity and ability are far greater than if his paper drifts with the current.

Adverse Competitive Conditions

Another situation that is difficult is where the competitor paper in the field, by reason of greater age, social prestige,

and financial resources, occupies a position that makes the circulation manager's paper the "opposition." He is then fighting against odds all the time; but neither this, nor any such factor should wet-blanket his enthusiasm, for some of America's most conspicuous successes have been made in the face of just such odds. The game has more zest and his ability stands out preeminently when he makes a showing under such circumstances.

The Hearst circulation men know what it means to buck the line of opposition as outlined above. In New York they met tradition, convention, social prestige, financial standing, political bias, and almost every other general factor that could be adverse to them, and instead of succumbing, they revolutionized methods and gained a successful footing. It is true, of course, that the editorial policy was principally responsible for the success of this invasion, but the circulation department did its full share. The circulation departments of the Hearst newspapers have been known to raise great sums of money for their owner on short demand.

Newspaper Individuality and the Reading Public

Just as the political bias serves to limit the sales possibilities of a paper, so the treatment of the news and the kind of special features used, make it fairly clear to the circulation manager what type of readers naturally should take the paper, and he is wise if he makes his principal bid to them. More and more in the publishing field it is becoming essential for publications to know themselves and their individualities and to build a subscription list congenial to this knowledge. Among periodicals, Leslie's Weekly announces frankly that it wants lawyers, doctors, bankers, business men, and people of that type as subscribers, and tacitly notifies others that, though they are admitted to the circle, they are not the honored guests.

Individuality is as sharply defined in newspapers as in

people. This is why large cities have so many papers. The subtle qualities that combine to make "personality" in individuals, and which operate to win some as friends and to repel others, are found fully developed in newspapers and periodicals. Hence, the sooner the circulation manager understands that the moral, material, and mental qualities of his paper will seek their level in the community, the sooner will he seek to know what people constitute this level, and will then concentrate his energy upon getting these people into the fold.

This knowledge can be gained only by actual contact with the public. It will be illuminating to the circulation manager to visit news-stands in various sections of his city and to note what kind of people buy the paper, and by interviews learn why they buy it. The letters written to the editor also will furnish clues. Complaints are an especially helpful source of information.

Screaming headlines and red ink attract some minds and repel others. Emphasis placed upon the foibles of humanity as revealed in the courts, in divorces, scandals, crimes, etc., is equally decisive in defining a newspaper's clientele. While most papers print such news, the manner of playing it up makes the difference between a sensational and a conservative newspaper, and draws a distinct line between the persons who want your paper and those who do not.

The rich, the middle class, the vast employee class, and the poor, all crave different mental food, and there are subdivisions within these grand divisions. Because its editorial and news policy nearest approximates the average taste of the community, The Evening Journal has the largest circulation in New York. At the other extreme is The Evening Post, appealing to those who prefer a strict literary nicety and high intellectual quality in their newspaper. Under no circumstances could the mind that characteristically enjoys The

New York Evening Journal feel at home with The New York Evening Post, and vice versa.

Between these two extremes are the other New York evening newspapers which cater to different strata of people. The fact that a few people of all classes read each of these newspapers does not prove, as their publishers so loudly assert, that they have a universal appeal. It is the majority of readers that determines a paper's appeal, or individuality.

2. Advertising Policy

More and more in American newspapers is the spirit of censorship at work in the advertising columns. This is equivalent to saying that the advertising policy, like the news and editorial policy, has a beneficial or harmful influence upon circulation, and it is the circulation viewpoint that is uppermost.

The extreme manifestation of this spirit is found in The New York Tribune policy of guaranteeing the advertising it prints. The new ideal in publishing is that the newspaper or periodical has a direct responsibility to its subscribers, always to affect them for the better. Many newspapers reject certain kinds of advertising, such as liquor, medical, clairvoyant, etc., the theory being that readers prefer a higher tone in their reading. A few papers present the anomaly of censoring advertising and then leaving the news columns wide open for degrading stories, or censoring news and leaving the advertising wide open, but the general trend is upward in both advertising and news.

In other words, publishers are endeavoring to make their newspapers as gentlemanly in tone as they themselves are in private life. At the same time, it is evident that some largely successful newspapers continue to print nearly anything, either as news or advertising, that is offered, and which the law does not specifically forbid.

Effect of Advertising Policy upon Circulation

The point in all this to the circulation manager is in the effect either policy has upon circulation, or in determining the class of readers which will be his natural customers. His selling campaign must conform to the editorial and advertising policies if the whole organization is to move forward harmoniously. The selling talk of the solicitors will incorporate the newest policy of the publisher, and the solicitors will be directed to the people who may be expected to approve the new policy.

3. Selling Price

This subject occupies a conspicuous place in any discussion of newspaper conditions. Undoubtedly, newspapers in the large cities, and even the smaller cities, selling at one cent are on precarious economic ground. A sudden shrinkage in advertising revenue would leave them bankrupt, or under the necessity of reducing in size and news service to a point that would contrast startlingly with their present bulk.

In Europe, where merchandising through advertising has not been developed to American proportions, the newspapers are handbills in comparison. Advertising, therefore, is the life of the American newspaper in its present size. It is this possibility of a reduction, or loss, of advertising revenue that puts vigor into the agitation for an increase in the selling price to two cents or more.

The One-Cent Newspaper

The American newspaper at one cent is unquestionably the greatest value sold anywhere in any age. For this nominal admittance fee, the buyer enters a forum where he may hear the news of the whole world, where through special features he will be entertained with fiction, pictures, and miscellany, and where he may meet every merchant or producer with whom

he may need to deal. It is worth one cent to have any one of these three services, but he gets them all for one cent, and the advertiser foots the bill, or, if he does not foot the whole bill, at least three-fourths of it.

It is right that the advertiser should pay. There is no other modern agency whereby he could disseminate his merchandising news so widely and so quickly. He is not an altruist. His expenditure for the privilege of talking to the reader is covered by the profit he will make from the reader's patronage. The newspaper, finding that the advertiser can afford to pay well for this privilege, proceeds to assemble as many readers as possible and to raise the charge to the advertiser. In order to increase the audience for the advertiser, the price of admittance is purposely made low, and one cent is as low as it can be made with our money divisions of to-day. Increased inducements to the reader in the form of extra features are offered by the paper to swell the attendance for the advertiser. The final result is the present situation—get an audience at any cost and make your profit out of the advertiser.

Increasing the Price

Now, a discussion as to whether one-cent papers should raise their price to two cents or more, is merely academic so long as advertisers can afford to pay rates that will show a profit on the investment in white paper, news features, and equipment. When the point is reached in merchandising at which the advertisers cannot afford to pay a rate that will yield this profit, the revenue from circulation will have to increase. If advertising rates are too high, or as high as they can be advanced, and the cost of white paper and news service and equipment continues to advance, the only alternative is to cut down the news service or to advance the price to the subscriber.

Paying for Advertising News

Theoretically, a subscriber is asked to pay only for the news. The advertiser is present as an uninvited third party so far as the subscriber is concerned. His presence is a private matter between himself and the newspaper. But actually, the subscriber derives a real benefit from his presence. It is as important under modern conditions that the reader be placed in contact with merchandising news as with the news of local and world events.

Thus, if the view is taken that advertising is news, substance is given to the argument that the subscriber should pay for the privilege of reading merchandising news. He will profit from knowing that a suit can be bought at 25 per cent reduction from the regular price, just as in knowing the day's work in Congress. If bulk alone is considered, the title should be changed from "news" paper to "ad" paper.

Circulation Revenue vs. Advertising Revenue

The adjustment between revenue from circulation and revenue from advertising is one requiring the best business judgment that can be brought to bear upon it. In the face of the agitation to increase the circulation revenue, papers like The Chicago Tribune and The Boston Globe have reduced their selling price from two cents to one cent, showing that certain leading and successful publishers believe that it is more important to maintain a large audience for advertisers than to have a smaller audience at a higher selling price.

The Boston Globe announces that following its reduction to one cent its circulation increased by 100,000 copies. As this addition of circulation could not have been made in any other way at anywhere near the same cost, it stands as a circulation promotion effort that has been justified by results, provided the advertising revenue makes a corresponding gain.

Advertising revenue can increase in two ways—either by

an enlarged volume at present rates, or by a higher rate. This addition to The Globe's circulation will make its space a more profitable buy for advertisers, and the paper's solicitors can argue either for more space at the old rate, or for the same space at a higher rate.

Ratio of News Columns to Advertising Columns

Some newspapers are saving the cost of white paper and mailing charges by crowding the news out with advertising. That is, rather than increase the size, they will cut down the space customarily allotted to news and fill it with advertising. The New York Evening World—or Journal—is on some days so crowded with advertising that the front page contains nearly all the news the reader gets; the second page is fairly well divided between news and advertising; and the rest of the paper, with the exception of the editorial, magazine, and sport pages, is all advertising with a ruffle or fringe of news. The proportion is about four-fifths advertising to one-fifth news.

Relation between Price and Clientele

It is not true that a reduction in price would be advantageous everywhere. The Washington Star and The Indianapolis News selling at two cents a copy cover their fields so well that it is doubtful if the purchasing power of their subscription lists would be greatly increased by a reduction to one cent. Competition is not so keen in these two cities as in Boston, Chicago, New York, and other cities where there are three or more evening papers from which to select. The Star and The News each have one competitor in the evening field. The Boston Globe had five or more competitors when it reduced its price, and The Chicago Tribune three or more.

Where there are several papers bidding for the same readers, it is a question of influencing selection, not of creat-

ing demand. The only way one paper can get a reader is to take him from some other paper. Hence, the difference of one cent would be vital in influencing selection where it might not be important in creating demand. A person who has not taken an evening paper would not quibble over the difference between ten cents and six cents a week, whereas a reader of a one-cent evening paper balks at changing to a two-cent paper. His selection therefore can be influenced by price perhaps more powerfully than by any other factor.

The selling price of a newspaper determines, along broad lines, the character of readers it will attract. In New York the people who buy *The Herald* and *The Post* at three cents a copy are persons of means and social distinction. The same is true of *The Sun*, morning edition. Certain classes want to pay high for their newspapers because they pay high for everything else they consume and naturally associate price with quality. *The Herald* elects to appeal to this class and its price serves to drive off readers in other strata of society.

Some newspapers, while reaching the highest type of newspaper readers, make an appeal also to intermediate types. *The New York Times* and *The Chicago Tribune* are notable examples. These papers have shown that the great middle class of Americans, those that are well-to-do and comparatively rich, prefer a one-cent paper so long as it presents the editorial and news capacity that they desire. It would be a debatable assertion that *The Herald*, selling at three cents, is a better newspaper than *The Times*, *The World*, *The American*, or *The Tribune*, selling at one cent. The individuality of these papers, combined with selling price, differentiates them from *The Herald* in a way that gives them substantially different readers, though relatively they all have some of every class of readers.

On the Pacific coast, in Los Angeles and San Francisco, some of the papers sell at five cents daily. This is not due

to a deliberate policy so much as to the generally higher cost of everything on the Coast. Prices there are normally higher than Atlantic coast prices. The Cincinnati Enquirer is an interesting example of a five-cent paper in the East. The Enquirer undoubtedly could increase its circulation many times by a reduction to one cent, but it is not likely that the advertising revenue would keep pace with the circulation. The Enquirer, like The New York Herald, elects to maintain its individuality through a high price. The Enquirer is \$14 a year by mail for the daily edition.

The circulation manager is interested in the selling price of the paper he is selling because it determines the class of buyers to be approached and enlarges or restricts his field of operations. He should be able to tell, through accurate knowledge of his field, whether an increase, or decrease, in selling price would cause a favorable readjustment of the revenue from advertising to that from circulation.

Purchasing Power of Subscribers

The desirability of quality or quantity circulation is determined by the *purchasing* power of the readers and not by mere numbers. A newspaper might assemble 300,000 readers who would not represent as much purchasing power as another paper's 100,000 readers, for certain commodities. Advertisers, consequently, must study the character of circulation which a paper has in order to know whether its readers have a purchasing power commensurate with the commodities offered for sale. Inasmuch as department stores usually carry merchandise appealing to all classes, department store advertising usually is found in all kinds of mediums, though even here the advertising is concentrated in those particular mediums which present readers in a class with the main merchandising policy of the store.

Thus, the only reason a paper may have for indefinitely

expanding its sales is the assumption that this element of purchasing power will be strengthened. All papers carry many readers who are economically useless to advertisers. That is why some of the papers with the largest circulation cannot maintain their advertising rates above $\frac{1}{7}$ or $\frac{1}{9}$ of a cent per line per 1,000. Magazines with a national circulation of like proportions get from $\frac{1}{2}$ to $\frac{1}{4}$ cent per line per 1,000, because the purchasing power of their readers is greater.

Economic Limit of Circulation

In Chapters V and VI the subject of adjusting volume of circulation to advertising rates will be considered further. It is sufficient to point out here that many periodicals and some newspapers are endeavoring to determine just when they should pause in promotion work so as not to carry circulation for which no advertising revenue can be collected. To carry 100,000 or more circulation in excess of the advertising rates is a drain upon resources that they wish to avoid. At the same time it is a delicate matter for a publication to "rest on its oars." The downward trend can start so easily!

4. Typographical Dress

Some papers are such a confusing jumble of headlines, advertisements, and pictures that one involuntarily reacts from them. Others are so beautifully groomed that it is a pleasure to peruse them.

The New York Times, The Baltimore News, and The Chicago Tribune are models in the latter class. The paper is clean and white; the advertisements are set with discrimination and artistic sense; and the news is distributed in relation to the advertising in such a way as to make the least eye-strain. This is in keeping with the instinct for order in most minds.

Our intense city life has produced a correspondingly in-

tense mental life, and for this reason some newspapers deliberately shape their headlines and typographical dress so as to emphasize and be in keeping with this mental condition. The great black streamer headlines, a patch of red, a choppy sea of small headlines, and pictures interspersed are in the same rhythm as the subway and the noisy, bustling street corners. It is not strange that the city multitudes buy papers which conform to their natural mental element, even though that element involves the pace that kills.

The circulation manager has a positive interest in this factor affecting circulation. He should know the effect that typographical dress has upon people. It may be that a change in this respect would make his sales proposition immeasurably easier, for slovenly typography repels some people like neglected finger-nails. People are subconsciously affected by these factors, and though few stop to analyze them, they operate steadily to win or repel trade. It is the circulation manager's function to know definitely the pulling or repelling power of typographical dress, and if in its present condition it be a handicap, to improve it.

5. Color and Quality of Paper

A number of highly successful newspapers use pink, green, or other colors in their issues, and those which do not use colored print in the main edition, frequently do so in the sporting extra. There is a psychological basis for using colors.

The paper is identified instantly by a color. The regular customer is guided by the distinctive color and the transient customer is attracted by the contrast. On the other hand, many persons think of a colored paper as being cheap and so avoid them. The eye-strain of reading some colored papers, especially when the ink runs light, is another adverse factor. Black and white is the best combination for eye-comfort, particularly when going home at night on a street car.

The New York Evening Telegram is a pleasing type of colored paper. On a news-stand or in the arm of a newsboy it may be identified instantly. Every circulation manager must determine by experiment the value of colored news, and papers in small towns doubtless would find any other color than white a detriment. The overwhelming use of white paper will justify the rule that colored news is valuable in proportion to the rarity with which it is used.

The various grades of white news have their influence in determining selection. The New York World, morning edition, is a handsomely groomed paper typographically, but the muddy-colored white news, in the author's judgment, has been a distinct drawback. The World printed on the same kind of paper as The Times would be a wonderful improvement. However, its managers doubtless know their clientele well enough to figure the advantages of one grade of news over another. The average circulation manager will do well to argue for as good a quality of paper as can be afforded, for expense incurred in this way will yield gratifying results through the increased eye-comfort to readers.

In this chapter only the larger factors affecting circulation have been discussed. The circulation manager is a victim of these factors if they are decided adversely to his judgment, or he is a beneficiary of them if his publisher is a competent man.

The gist of the whole chapter is this. The more efficient the circulation manager makes his department within the scope of operations prescribed for him, the more emphasis will he place upon the editorial, advertising, or other deficiencies that retard circulation growth.

Some publishers and circulation managers will say that these are factors about which the circulation manager need not concern himself. And yet, if he undertakes to achieve success

by ignoring the big, fundamental forces at work in the publishing field, he will be like a ship floundering in a storm without a chart of the rocks and reefs to be avoided.

The circulation manager may not be able to change the publisher's policies in these respects, but he certainly should know what bearing they have upon his operations, and if possible, enlist their tremendous powers in behalf of his promotion and sales plans.

CHAPTER IV

MODERN CIRCULATION MANAGEMENT

The Ideal Publishing Organization

The ideal publishing organization has three A No. 1 executives below the publisher, or the business manager. They head respectively the editorial, advertising, and circulation departments. The following chart shows the customary distribution of authority in the larger daily newspapers of America:

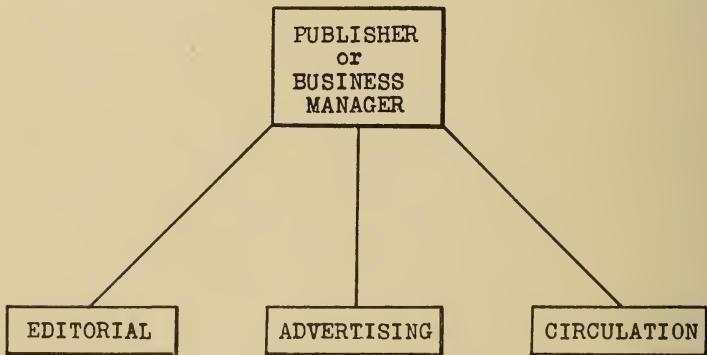


Chart 1. Distribution of Authority in Daily Newspaper Office

It is true that in many organizations the circulation manager does not have the equality of rank with the managing editor and advertising manager indicated in the chart, but this condition is passing. As stated in a preceding chapter the

circulation manager is everywhere winning his way to full equality.

The reason for this is his unrivalled opportunity for observing the value of every phase and feature of newspaper management. The slightest rise or fall in circulation attracts his attention first. And the fluctuations in circulation are a sure barometer of calm or storm in the publishing sea. By actual contact with the consuming public he is in a position to know the causes underlying these variations.

No other man in the organization is so close to the public. The editor knows only in a general way that certain features affect circulation favorably or unfavorably, his position being too aloof from the reader for him to know the precise whys and wherefores. The advertising manager is even farther removed from the public, and the business manager or publisher can know only through reports from subordinates and general observation.

Qualifications of the Circulation Manager

The circulation manager who thinks that his work begins only after the paper is off the press, and who interprets his job in terms of mail trains and carrier boys, is not the type which will be called to fill a vacancy in the business manager's chair.

Breadth of vision is the capacity that distinguishes America's foremost circulation managers today from the type that never gets out of the basement. They do not leave all original thinking and planning to the editor, business manager, or publishers, or content themselves with directing the purely routine work of distribution.

Undoubtedly the modern circulation manager must be expert in the technical details of the department. But he must know how to get this dough off his fingers into the hands of subordinates, and to spend the major portion of his time in

planning and directing. When publishers pay as high as \$5,000 to \$7,500 a year for circulation managers, they are buying creative ability. If the manager is so glued down to the merely mechanical operations that he cannot stop to analyze policies and results, he may retain his position—and many such do—but he will not get the big prizes in the organization which are within his reach if he works with his head as well as with his hands and feet.

Now, to condemn a feature or a policy for no other reason than that the apparent result was unpopular is the usual rule, but it is a blind rule. Features fail because of the manner of presentation as well as from intrinsic demerits, so that the circulation manager should know by analysis and close observation of the readers, exactly where the trouble lies.

He is the only one so situated as to be able to make this scientific study. By making it he lifts his function to a plane of greater usefulness to the publisher and editor. He thereby separates the origin of an idea from its practical operation and establishes a new standard of exactness and system in the organization.

Departmental Co-operation

The alert circulation manager is vitally interested in every factor that enters into his publication. His constant query is, what effect will it have upon circulation? This is true just as much when the publisher adopts a new typographical dress for the paper as when the editor adds a new comic feature.

It does not follow that every factor should be condemned if it affects circulation adversely. A decrease in circulation through a new policy may have compensatory advantages in other directions, as, for example, when a vigorous stand for a good issue repels some readers for a time, but by increasing the paper's reputation for conscientious dealing strengthens it

among people of character. The paper thereby builds the subtle quality of prestige which is the stabilizer of all circulations.

It may be accepted, then, as a truism, that the circulation manager should be in close touch with the managing editor at all times. It is not sufficient for him to know the important news of the day after the paper is off the press. Where the managing editor decides upon an extra, he usually gives the circulation manager as much notice of it as time permits, but further than this most managing editors do not go.

How to utilize the sales possibilities of the circulation department is a subject to which managing editors have given little thought. The publisher, or business manager, will find a profitable vein of efficiency to develop in co-ordinating the efforts of the news and circulation departments, instead of allowing them, as in most offices, to move in entirely separate spheres.

Only in a comparatively few offices is intensive work attempted along this line, that is to say, few offices work harmoniously to get the maximum benefits from every feature of whatever importance. There are, however, some newspaper publishing organizations in which team work on the part of the editorial, advertising, and circulation departments is admirably apparent. If the advertising department starts a campaign to increase the classified business, the editorial and circulation departments are consulted and shape their plans to make the whole force of the newspaper get behind the campaign.

To get the full benefits from this sort of intensive work, the whole newspaper organization must be trained to act in unison, and to see everything not only from the narrow departmental viewpoint, but from the perspective of the whole publishing enterprise. Solicitors, carriers, reporters, will soon grasp the principle and put it into operation upon their own

initiative in many ways. Among periodicals, Today's Magazine has a policy of printing fiction and feature articles that will harmonize the reader's thought with the advertising in its columns. Needless to say, this policy requires the utmost nicety of judgment to give the reader a square deal.

Intensive Circulation Work

By establishing a rule that the circulation manager is to be furnished proofs of all news simultaneously with the editorial rooms, departmental co-operation can be assured. The circulation manager then would have not only a warning of the "break" in the day's events, but would find many lesser items which could be exploited with gratifying results. Advance notice of special features offers the same opportunity.

A big fire on the East side will have an interest for the people of that section out of all proportion to the general interest in the occurrence. The news-stands or routes in that section should be supplied with whatever extra copies may be needed and the circulation manager alert to opportunity should have his delivery men tell each dealer as the bundle is dropped that the paper has an especially fine account of the fire.

The carrier boy who has not been able to get a certain house on his route to subscribe will find this an excellent time to leave a sample copy there with the same hint. Enough of the dealers will repeat this to customers to have an appreciable effect, and it will stamp the fact in the minds of the people reached that this paper is a live wire.

A "beat" on the rival paper of an important news story offers much greater circulation opportunities than merely increasing the street sales. If the circulation manager has sufficient notice, and if he is like The Schenectady Union-Star which keeps a list of non-readers, he can score heavily by leaving marked copies at prospects' homes and so emphasize

the news superiority of his paper. The editor will see to it that the paper's regular readers are impressed with the scoop, but only the circulation manager can make the point with non-readers.

This idea of intensive circulation work can be applied to a hundred news items in a small, neighborhood way and so build up the circulation. "The people of the West side liked the feature story of their Improvement League," the circulation manager informs the managing editor, and he knows this because two or three new subscribers appeared on the routes in that section right after the story appeared, and because the carriers so reported.

The modern idea in farming is intensive work in a restricted area, and the same idea is inspiring circulation managers. They are watching the corners; stopping the small leaks in such items as "returns"; utilizing the sales possibilities of the news columns; finding the natural home territory and working that for all it is worth. The sum total of these small savings and pick-ups may swing the balance to the right side. While no staggering results may be expected, the total benefits will justify the exertion many times over. This work should go hand-in-hand with the larger vision of circulation management.

Promoting the Publisher's Policy

The circulation manager must get the publisher's viewpoint and then think along that line. Even if the contests, premiums, and similar promotion measures so useful to the circulation manager, are prohibited, he need not feel restricted in his opportunities for creative work. He has just as much chance as the editor to know what the publisher's policy is and to suggest features in keeping with that policy.

If the publisher eschews regular premiums, the circulation manager's task is then, as ever, to make suggestions that will

promote the paper's policy, whatever it may be. If, as in the case of *The New York Times*, beautiful pictures are approved, the circulation manager should endeavor to know the pictures that will make the greatest appeal. At least he will make it his business to know definitely the business-getting value of the various pictures used beyond the value indicated by the sales of the edition.

Did the pictures catch the eye, only to be discarded after a few days, or did the readers retain them permanently? The circulation manager knows that a picture retained and framed is a constant advertisement of the paper, to be pointed out by the possessor to his friends with an approving mention of the paper's name, while a picture discarded has infinitely less value. Are bright colors more effective with the paper's class of readers than the more artistic, subdued effects? What is the average artistic sense of the people sought? What subjects interest them most? These questions are obvious and are sufficient to emphasize the point.

Keeping in Touch with Readers

The circulation manager naturally should have the most highly specialized knowledge of the people sought by the publisher. Of course, all publishers like to think that they are producing "the great American newspaper" which every class of citizens does, or ought, to read; but in actual practice every newspaper has an individuality that clearly limits its sales possibilities.

The *Indianapolis News* has an admirable and elaborate system of reports for ascertaining the reasons why people do not continue as readers. Often the trouble is astonishingly trivial, from the paper's viewpoint, but monumental to the reader. Again, the trouble is too deep-seated to be overcome. But by knowing the facts many readers are retained whom other papers allow to depart unprotested.

The Appeal of Special Features

One reader may like the paper for the baseball "dope." Another may like the humorous "colyum." The ginger spirit in the editorials may attract a third, and the recipes on the woman's page may hold a housewife's subscription. Few circulation managers realize fully the extent to which readers are governed in the selection of a paper by special features.

In New York this is notably apparent, as it is in all cities where there are half dozen or more papers. The sporting gossip and cartoons in *The World* or *The Mail*, the bright editorial paragraphs in *The Telegram*, the able war editorials in *The Sun*, the spicy news treatment in *The Journal*, the home-circle features of *The Globe*, and so on through the list are particular features or departments which make the individuality of the paper and attract a reading clientele. Many persons buy several papers a day just to get the special features peculiar to each.

If a paper could be edited that combined the special attractions of the various New York papers, Paris would not then be the only city to have newspapers with a million and more circulation daily. Still, no great American city's composite population could be served by one or a few papers. The conglomeration of nationalities and the gradations of mental tastes require variety of news treatment.

Holding the Floating Patronage

Tastes change, and a vast floating patronage is the problem that keeps circulation managers constantly devising new schemes to divert the current into their own channels. This subject is developed at length in Chapter XIII, "Special Reader-Interest Features," but the principle itself may be stated thus: *Lead public interest in everything.* The news columns will furnish the inspiration as a rule, but it is well to watch trade papers and scientific journals for new inven-

tions, ideas, and developments which sometimes get into the news dispatches tardily.

No matter what people are thinking and talking about, the newspaper should lead the thought and discussion. The circulation manager should make it his business to keep his hand on the public pulse and supplement the work of the editor with timely suggestions. Each new thing is utilized as it comes along. A while back the papers were holding automobile races when the automobile was first attaining its popularity; then came aeroplane meets; then the moving pictures; the dance craze was another example. Tomorrow will find the latest fad or interest receiving similar exploitation.

Effect of European War upon Circulation

The European War accomplished for newspapers in America what circulation managers have spent much energy and a vast amount of money in trying to do. It induced people to read other papers than those they were accustomed to buy. The desire to get all sides of the war, to read everything pertaining to it, caused people to buy papers with which they had slight acquaintance, and many found that the papers new to them had features very much to their liking.

The result was beneficial to all the papers. While the war fever was high, people bought half a dozen or more papers a day, for fear that their favorite might not cover the subject fully. Inasmuch as every paper is willing, or professes to be willing, to rest upon its merits, the circulation manager's task of inducing the first trial was made easy by this supreme event. New circulation work practically ceased with all city dailies. Hundreds of solicitors were laid off in New York, premiums were dropped, and the promotion companies had to sit down and wait until normal conditions should return.

The effect has been to add permanent readers to all of the papers. Of course, this had to be a swap, for nowadays the

only way for one paper to get a reader is to take him from another paper. The general shifting and shake-up, nevertheless, was invigorating to all circulations. The people in all our large cities now know the qualities and individualities of their home papers.

Advertising for Circulation

Until the last few years newspapers thought their own columns offered all the means of publicity of themselves that was necessary. The idea of using other mediums of publicity was repugnant. What is the situation now?

Newspapers now have a regular advertising policy, just like department stores or manufacturers. They have learned that advertising is as much a necessity for them as for Uneeda Biscuit. The amount of selling they can do by advertising in their own columns is insufficient, and so they use other newspapers, magazines, bill-boards, street-car cards, electric signs—in short every medium of publicity that any advertiser uses.

This, of course, is expensive and calls for a new theory of circulation management. A newspaper publisher now has to provide for an advertising appropriation just as the Victor Talking Machine Company must. He may or may not entrust the expenditure of this fund to his circulation manager, but it is none the less the latter's function, and in the larger organizations he has full control over the appropriation.

The New York Evening Post is a class newspaper selling at three cents and had a net paid circulation in January, 1915, of about 25,000 daily. It is noted for the authenticity of its financial news and for the generally high-class treatment of all other news. The people who read it are the old families of New York and people of means or intellectual attainments. The Post decided that there are many more persons in New York who want a newspaper of its kind than actually buy it. Among its promotion measures under Emil M. Scholz, a busi-

ness manager who, by the way, has come up through the circulation end, was advertising.

Through street-car cards, advertisements in other newspapers, and similar advertising, he has been telling the New York public about *The Post*, and why they can afford to pay three cents for it. If he had limited this selling campaign to the columns of *The Post*, it would be much like the man who tried to lift himself by his boot straps. The general publicity has introduced *The Post* to many new readers. It will introduce it to everyone who naturally wants that type of newspaper; and *The Post* understands that when it has obtained its audience there will still be several millions of New Yorkers left for the other papers.

There are innumerable examples of this policy all over America now. When *The New York World* and *The New York American* were scrapping over the Katzenjammer Kids comic feature, each having the same series drawn by different artists, they spread themselves over all the bill-boards in New York, in street cars, and elsewhere to impress the public with their respective claims.

The World regularly uses the bill-boards in the elevated stations to emphasize features in its Sunday edition. *The New York Tribune* in its notable revival campaign begun in 1913 was everywhere conspicuous with its bill-boards and signs. Philadelphia papers, especially *The Ledger*, use signs along the railroads leading into that city to advertise themselves.

Whenever any paper gets a particularly interesting feature, it now shouts that fact from the housetops—its own housetop first, but from other skyscrapers too. In cities of 20,000 population and up, the papers are following the same policy. It has crept into some weekly papers. *The New York Tribune*, when it started a series on clean advertising, even went into national magazines to announce the feature.

It all comes back to the point repeatedly made in this book, namely, that newspaper publishing is a manufacturing enterprise and that it has the same selling problem that confronts any other manufacturer. It must be marketed by the same general principles. And the use of advertising, which it has so long urged upon others, it has been forced to adopt. Modern competition has brought this to pass.

Scope of Circulation Manager's Duties

It may appear to some readers that the scope of the circulation manager's duties as here presented is too extensive; that he is advised to perform services which are solely the function of the editor or publisher.

The assumption is that the circulation manager will be discreet in this conception of his position; that he will not branch out into these broader functions until the practical routine of his department is thoroughly in hand, for if mail trains are being missed and carriers are neglecting their routes, a publisher will have little patience with gratuitous suggestions on general policies.

But until the circulation manager takes just such a widened view of his office, until he sees the circulation problem from every angle, he cannot attain to the maximum usefulness to the publisher, or qualify for promotion. And it should be remembered that in the big, successful newspaper organizations of today the circulation managers are performing all the functions described herein, and many others which are not covered.

Regardless of the origin of the factors that affect circulation, the manager of this department should look upon himself as something more than a machine to put them into operation. A sales manager's business is to sell a product as it is turned out, but he would be derelict in his duty if he neglected to observe wherein the product failed to please the consumer, or was inferior to a competitive product.

The publisher, editor, business manager, and advertising manager may be watching these same points, but this does not absolve the circulation manager from doing so too. They cannot possibly get the intimate experience and observation that he does.

The circulation manager will determine his worth by (1) an efficiently conducted department on the purely practical side, and (2) by the ideas he advances which help the paper to a larger success.

CHAPTER V

PRINCIPLES OF CIRCULATION MANAGEMENT

GENERAL CONSIDERATIONS; ADVERTISING AND CIRCULATION REVENUE

Fundamental Questions

Consider the situation of a newspaper circulation manager who has just entered upon his duties in a field with which he is unfamiliar. Some of the fundamental questions he will want answered right at the start are as follows:

1. What ratio does the revenue from circulation bear to the revenue from advertising?
2. What is the mailing cost per copy, daily and Sunday?
3. Is the circulation normal for this field, figuring in the city and retail trading radius one subscriber to five persons of population?
4. Is the advertising rate normal for the present circulation?
5. What ratio does the city circulation bear to the country circulation? Is it normal?
6. What percentage of the subscribers are renewing?
7. What is the cost of obtaining a renewal as compared with the cost of new business?
8. How much new business must be produced to keep the circulation normal?
9. What is the loss from bad accounts?
10. What percentage of circulation revenue is allowable for promotion work?

II. What is the percentage of "overprint" and "returns"?

There are many other questions the new circulation manager will want answered from the books, but when the foregoing questions have been answered, a fairly broad idea of the selling problem that confronts him will be obtained.

A list of questions similar to the above was mailed to circulation managers on large and small papers in different sections of the country with interesting results. The replies, or lack of replies, were an index to the situation in many offices. Some replied that the questions were such as to prohibit a discussion of them outside their own offices; others, that it would require too much work to answer them; others, that if they could frame intelligent answers they would write later; and some replied with the desired information.

Standardization of Circulation Requirements

It would be egotistic to announce anything more than an approximate standard for these problems. Conditions are extremely chaotic, varied, and intangible. Still, significant progress is being made toward standardization, and it is only a question of time until circulation management will be as scientific as banking. Better accounting is apparent in many offices. Publishers are learning that the circulation manager should know the whole financial situation of the paper in order to shape his plans intelligently.

Hence, the circulation manager is not always to blame for not knowing offhand the answers to the questions stated, because some publishers and business managers heretofore have considered it impertinent for him to want to know. If you asked E. P. Hopwood, of The Portland Oregonian, any of the foregoing questions, he could tell you instantly, and he is typical of the live wires everywhere.

Circulation Managers

Circulation managers refuse to work in the dark, or in a niche. They need a perspective as much as any officer in the organization. They make it their business to know how their department fits into the general scheme of newspaper organization, and what relation their activities bear to the activities of the editorial and advertising departments. "The eye cannot say of the ear, I have no need of thee."

Unless a standard is known, the circulation manager is working in the dark. It is not sufficient to say that he is working to bring the circulation to a point that will justify an advertising rate which will yield a profit on the newspaper investment. He must know, approximately, if not absolutely, what the ratio of revenue from circulation should be for his particular field, and this can be known only by understanding what the standard is for any given field and for the general field.

Locating the Weak Points

Of course, the first thing a circulation manager will do in a new position is to determine to what extent the routine operations of the department are responsible for the showing. The personnel of the department may be inefficient; the *esprit de corps* may be lamentably weak; the reports and general accounting may be slipshod; the service to the subscribers may be half-hearted; in short, the sales organization and distributing force may be so much junk.

When the department has been brought to a plane of efficiency so that good service is assured, so that collections are at a maximum, so that every person who is interested in the kind of paper he is selling has had an opportunity to buy it, the circulation manager will be in a position to estimate to what extent the competitor's superiority, or inferiority, is due to editorial or other causes of a general nature outside his con-

trol. Thus the publisher may find that he has been spending money for news and features of neutral quality, and a revolution in buying syndicate matter is likely to follow this discovery. The managing editor will then learn which features actually sell papers and which merely fill up the columns.

It will be interesting to consider in detail the questions given in the list on page 57.

ADVERTISING AND CIRCULATION REVENUE

Revenue Fluctuations

The following table is interesting as showing the upward trend of advertising revenue, and the downward trend of circulation revenue by decades for American newspapers:

Years	Total Revenue	From Advertising	From Circulation	Percentage Adv. Circ.	
1910	\$232,993,094	\$148,554,392	\$84,438,702	63.76	36.24
1900	175,789,610	95,861,127	79,928,483	54.53	45.47
1890	143,586,448	71,243,361	72,343,087	49.61	50.39
1880	89,009,074	39,136,306	49,872,768	43.85	56.15

A study of these figures shows that the revenue from advertising and the revenue from circulation were approximately even in 1890. Before that newspapers derived their larger revenue from circulation, but after that from advertising. This change is coincident with the advent of the penny newspaper, the one-cent-a-pound mailing rate, the spool news print, the high-speed press, and the discernment of the merchandising possibilities in advertising.

Meeting Rising Costs

At present, though no figures are available, the ratio of advertising revenue to circulation revenue is more markedly in favor of advertising than in 1910. Publishers have felt the economic danger in this situation and have met it variously. They sought to decrease cost by getting news print on the free

list. In this they were successful and their success has undoubtedly given a new lease of life to penny papers, and enabled the American people to continue to enjoy the phenomenal values they receive in their newspapers at a nominal cost. The loss in tariff revenue to the Government from placing news on the free list is more than made up by this consideration.

Publishers have faced a steadily advancing manufacturing cost for white paper, for labor and other factory items, not to mention the ever increasing appetite of the public for news. The telegraph, telephone, cable, and wireless inventions have opened avenues of news that constantly increase the cost of news service. At the same time the standards of feature and art work are rising in quality and cost. But both branches of the consuming public — the subscriber and the advertiser — resist any effort to make them pay more for the two products, news and circulation.

The publisher, therefore, is caught between the increasing cost of manufacturing and the difficulty of raising the selling price of his commodities. Welcome and temporary relief came in the removal of the tariff on white paper, but in the nature of things this is insufficient. Wherever it is possible, publishers are raising the cost to the subscriber from one to two cents. In the larger cities this is a precarious step, but there seems to be no reason why papers with only one competitor, or two, should not be 10 cents a week instead of 6 cents. The Trenton (N. J.) Times raised to two cents a copy without any appreciable loss, and even if a loss occurs, the advertiser will not be in a position to object.

The Advertisers' Attitude

Advertisers are showing an enlightened consideration of this newspaper problem. In the first place, they would rather that a newspaper increase its revenue from the subscribers than from themselves, even though the numerical circulation is

decreased thereby. But this is not the only way that advertisers are willing to see a newspaper's revenue increase and expenses decrease.

What advertisers, particularly local advertisers, are interested in, is the purchasing power of the paper's subscribers within the retail trading radius. Hence, all the mail and distant circulation is economically useless to them. Why, then, cannot a paper simply lop off this circulation? It costs a great deal to get and is a dead circulation loss after it is booked; nor does it yield purchasing power, except possibly to general advertisers. This is considered further in Chapters VI and X.

Adjusting Circulation and Advertising Revenue

As stated in Chapter III, "General Factors Affecting Circulation," the adjustment of revenue from circulation to the revenue from advertising is the supreme problem in publishing. A blanket assertion that all papers should immediately increase their sale or subscription prices cannot be substantiated, either in logic or experience. For, as pointed out, some papers are actually decreasing the circulation revenue and yet are making good. It is an individual problem with the proviso, that the smaller the competition a paper faces, the stronger the reasons for increasing the price.

The publisher of The Chicago News hit off the truth when he stated in a letter in The Fourth Estate, that so long as a newspaper selling at one cent is making money, any agitation to increase the price will make slow headway. He then stated that in 1914 The News paid half a million dollars more for white paper alone than the entire revenue from circulation. The News, receiving only 40 cents an agate line for advertising, run of paper, for 400,000 circulation, was in a position to speak authoritatively. Here the advertiser is getting too much for his money, whatever the subscriber may receive!

The News is typical of all big city newspapers. Its white paper bills, when it reaches a certain number of pages per issue, consume more than the entire circulation revenue. On the other extreme is the small city daily which is glad to add a name to the subscription list because a profit is made from circulation.

The Paducah (Ky.) Evening Sun is an 8-page, 7-column daily in a city of 25,000 population. Its circulation is around 6,500. By carrier the rate is 10 cents a week, and by mail \$3 a year. The Sun runs eight papers to the pound, including wrappers, and the mailing cost is therefore 39 cents for 312 issues. The cost of white paper, figuring overprint, waste, ink, and free copies, is $2\frac{1}{2}$ cents a pound, or approximately \$1 a year per subscriber. Thus the cost of paper and mailing is \$1.39, leaving a gross profit of \$1.61. Out of this profit must come mailing room and other departmental charges plus the general overhead. It is evident that The Sun can take profitably all the circulation that comes its way. It can even allow a selling cost of 50 per cent, or \$1.50 per subscriber, and still have 11 cents gross profit!

On the other hand, consider The Indianapolis News. It runs from 16 to 32 pages daily, or say, an average of 24 pages. A paper of this size will weigh 5.25 ounces, or 3.04 copies to the pound. This makes the mailing cost for 312 days \$1.02; and at $2\frac{1}{2}$ cents a pound for white paper, the paper bill will be \$2.55. Total for postage and paper is \$3.57. The subscription for the mail edition is \$3 a year, showing a deficit of 57 cents per subscriber. To this must be added mailing room and other departmental charges plus the general overhead. It is evident that The News takes circulation at a loss and makes it up out of advertising revenue. The selling expense further increases the deficit.

Between these two examples there are papers which do better or worse, or break even. The figures quoted are approxi-

mations made by the author and are not from the publishers' books, but they show closely enough the circulation problem under consideration. By knowing the mailing and white paper costs, and by averaging the size of a paper, it is possible to reach fairly accurate figures about any newspaper.

The point of the comparison is this: Profit or loss on circulation is determined by the amount of advertising carried, for it is the advertising which increases the size and weight and so increases the mailing and paper charges. Therefore, it is just that the advertiser should bear the cost in the ratio that he does.

Production Costs

The accompanying table shows the weight in ounces of papers running from 8 to 32 pages, the number to the pound, the cost of mailing for 312 days, the cost of paper during the same period, and the total cost of these two items:

No. of Pages	Weight in Ounces	No. Papers Per Pound	Mailing Cost 312 Days	Cost of White Paper	Total Expense
8.....	1.75	9.14	\$.34	\$.85	\$1.19
10.....	2.18	7.31	.42	1.06	1.48
12.....	2.62	6.09	.51	1.27	1.78
14.....	3.06	5.22	.59	1.49	2.08
16.....	3.5	4.57	.68	1.70	2.38
18.....	3.93	4.06	.76	1.92	2.68
20.....	4.37	3.65	.85	2.13	2.98
22.....	4.81	3.32	.93	2.34	3.27
24.....	5.25	3.04	1.02	2.56	3.58
26.....	5.68	2.81	1.11	2.77	3.88
28.....	6.12	2.61	1.19	2.98	4.17
32.....	7.	2.28	1.36	3.42	4.78

In the preparation of this table, the weighing was done on an ordinary parcel-post scale, using the quality of white paper in The Louisville Courier-Journal. It is medium grade paper, 8 columns wide and $23\frac{5}{8}$ inches deep. No allowance was made for wrappers. The basis of the figures given in the

table is that an 8-page paper will weigh $1\frac{3}{4}$ ounces and will run 9.14 copies to the pound. For each additional two pages added, the weight is increased .43750 oz. No attempt has been made at hair-line accuracy, the purpose being to indicate a principle which circulation managers may apply to their local conditions. Bulk weighings would show some variations from the foregoing figures.

Circulation Revenue below Production Cost

White paper, at the time this calculation was made, was selling at from \$2.10 to \$2.20 per hundred pounds, but in this table the price was arbitrarily made \$2.50, or $2\frac{1}{2}$ cents a pound, to allow for ink, waste, overprint, etc. The mailing cost being one cent a pound, the cost of the paper will therefore be $2\frac{1}{2}$ times the postage rate. A 312-day paper is considered in the analysis.

Sunday newspapers, as a rule, have book or other higher quality paper supplements in addition to the ordinary white news, and thus their paper costs run in a scale outside of the calculations here cited. Postage charges also will be heavier. Metropolitan Sunday newspapers selling at \$2 a year will not have a circulation revenue sufficient to cover the paper bill.

The table shows that any paper up to 20 pages will yield enough circulation revenue, at \$3 a year, to pay for the white paper and mailing costs—for the actual paid circulation. When the overprint, returns, free copies, and waste are managed loosely, or even when managed conservatively by a paper with several editions daily, the revenue will not be sufficient to cover both charges.

In general, the city subscription price is \$2 more than the mail edition. That is, a paper selling by mail at \$3 a year, usually sells at \$5 by carrier. Some papers, like The Chicago Tribune, charge \$4 by mail a year of 312 days, whereas on the streets of Chicago the paper may be bought for the same

period at one cent daily, \$3.12. The Indianapolis News by carrier is \$5 a year, the delivery expense being \$2.08, whereas the rate is \$3 a year by mail and the delivery expense is approximately \$1.

The tendency in the larger offices seems to be to consider that the circulation revenue is doing well if it pays for the paper, and in this connection the statement of The Chicago News appearing in the present chapter will be remembered. Advertising not only increases the paper and postage expenses, but the editorial expense as well, for every time a column of advertising is added, a proportionate amount of news, or feature material, must be added. It is just that the advertiser should bear this extra editorial expense.

Ratio between Circulation and Advertising Revenue

As will be inferred by now, the question, what ratio should the revenue from advertising bear to the revenue from circulation, is answered with wide variance in newspaper offices. The larger the paper, the larger the ratio in favor of advertising revenue. If a standard can be approximated, it probably is 2 to 1, or two dollars from advertising to one dollar from circulation; but 3 to 1, 4 to 1, and even 5 to 1 are ratios in successful offices. A paper averaging 22 or 24 pages for 312 days will have a ratio usually of 3 to 1. That is to say, the advertisers put up three dollars for every dollar the subscribers put up. One paper with 100,000 circulation derives about \$300,000 a year from circulation and \$900,000 from advertising, or a gross income of \$1,200,000. The reference is to net circulation revenue, after commissions to carriers, agents, etc., have been deducted.

Principle Underlying Gross Revenue

An economic principle which applies to every business is that the constant tendency will be to get down to a basis of a

fair return upon the investment. Profits may be large in the early years, but the eventual effect of competition and the attitude of the public will be to support a business only within the foregoing limit.

With newspapers this principle is at work, and will continue until some of the excessive profits are reduced, and other subnormal revenues are raised to a fair level. Advertising rates, in the long run, must be figured in such a way as to yield a profit on the whole newspaper investment, after making due allowance for a normal circulation revenue.

In most communities, a normal circulation revenue will equal 50 per cent of the advertising revenue, and this is about the ratio for all American newspapers. In 1910, as shown in the table at the beginning of this section, the ratio was 1 to 2. A large number of newspapers will show a ratio of 1 to 3, and there will be newspapers in the metropolitan centers where the ratio is even more one-sided in favor of the revenue from advertising.

The reason that many newspapers continue to sell circulation at from $\frac{1}{7}$ to $\frac{1}{14}$ cent per line per 1,000 of circulation is found in the fact that the advertising revenue at this rate will yield, in conjunction with the circulation revenue, a profit on the whole investment. If a newspaper is making money at so low a rate, advertisers will know it, and will turn a cold shoulder to any increase based on an arbitrary belief of the publisher that his circulation should sell at a higher rate. On the other hand, a publisher whose gross income is not a fair return upon his investment has a just reason for exacting higher rates from both subscribers and advertisers.

CHAPTER VI

PRINCIPLES OF CIRCULATION MANAGEMENT

STANDARD SALES POSSIBILITIES; ADVERTISING RATES AND CIRCULATION

Fixing a Circulation Standard

Thus far there has not been developed a standard of measurement of circulation sales possibilities for newspapers better than the ratio of one subscriber to each five persons of literate population. A newspaper, or combination of morning or evening newspapers, which delivers one paper for every five persons of population, is near normal in sales possibilities.

There are exceptions to this standard. The Detroit News delivers one paper to every 4.7 persons in its city, or approximately one in five for this single newspaper. The News, however, dominates its field in an exceptional degree. The Philadelphia Evening Bulletin has a circulation practically equal to the number of homes in Philadelphia, but, of course, not all its circulation is within the city limits.

Standard of Metropolitan Transient Sales

Where street sales are excessive, the standard of one in five is not applicable. In New York, transient sales exceed the delivered papers owing to the peculiar conditions under which the people live. There are considerably more than 2,000,000 evening papers sold every day in New York, and multiplied by five this would give a population of 10,000,000; whereas the territory served, including the Jersey and close-in suburbs, has about 6,000,000 population only.

New York, furthermore, has a large non-English reading population served by foreign-language newspapers which are not included in the estimate of 2,000,000 daily sales of evening papers. Thousands of copies are bought, the headlines scanned, and the papers then thrown away. Where there are three or more editions daily, this practice is extensive. It is one reason why the price remains at one cent, as the public desires frequent bulletins of the news and probably would not pay two cents for the number of editions now consumed at one cent.

Advertisers, in considering the circulation claims of papers in any metropolitan center, need to remember that the papers have a large duplication of circulation among their own readers. The same persons buy two or more editions of their favorite paper each day. This may be an advantage in our strenuous urban life, for to attract and hold attention it is necessary to iterate and reiterate merchandise news, but the papers are not selling the advertisers as many individual readers as their circulation figures indicate.

Standard of Sales in Smaller Cities

In other cities not so large, where the home life is more stable, the ratio of 1 to 5, after allowing for illiterates, is the standardized measure of sales possibilities. The theory is that five persons constitute a household, or family. Hotels, clubs, boarding houses, and stores are exceptions in fact, but not as regards the total of population. The Sunday editions upset this standard, for one household will usually buy two or more papers as a kind of mental feast, or dissipation. Besides, the use of premiums and contests to force sales has resulted in duplicated circulation.

In the matter of duplication, it is not sound to say a morning paper and an evening paper entering the same home have duplicate circulations, nor should advertisers so view it. A

morning paper is an entity and so is an evening paper. Households which take only one paper are below par. In this age, a paper every 24 hours is not evidence of mental alertness. The pace of our civilization requires that people know, morning as well as evening, the course of events.

Where one household takes two evening papers, or two morning papers, this is duplication of circulations, and advertisers are correct in taking the fact into consideration. But publishers should take the stand that any household with a morning and an evening newspaper is a standard household. In some cities the competition between circulation departments has resulted in as high as 20 per cent duplication in evening circulation, and this will serve to depress advertising rates, or to bar increases in such rates.

The Retail Trading Radius

The Audit Bureau of Circulations in its reports lays stress upon the division of circulation into two parts, the first constituting the "retail trading radius," and the second the country, mail, or circulation outside the first territory. Inasmuch as local advertisers are a newspaper's main support, the establishment of a retail trading radius is essential. This may be 20 miles from the publication office, or even farther where, as at Indianapolis, a great system of interurban and trunk line railroads makes the city easily and quickly accessible for a radius of 50 miles or more. Indianapolis local advertisers write their advertisements a day ahead, or allow time enough for these outlying subscribers to get into the city to take advantage of the offers.

Distribution of Circulation between City and Country

The quarterly reports of "The Gilt Edge Newspapers"—a voluntary association of about 200 newspapers, bound by the common agreement to tell the truth about circulations—show

the distribution of each paper in the city and in the country. The average for 158 of these papers shows 55 per cent in the cities and 45 per cent in the country. The individual variations from this average were wide, as will be seen in the distribution of the following 25 papers selected from the list of 158:

CIRCULATION STATISTICS OF 25 NEWSPAPERS

			Percentage	
NORTH			Circulation	City Country
(E)	Montreal Star	105,596	58	42
(M)	Regina (Sask.) Leader.....	12,212	43	57
(E)	Indianapolis News	105,000	49	51
(E)	Springfield (O.) News.....	11,715	77	23
(M)	Buffalo Courier	56,078	70	30
(M)	Springfield (Ill.) State Register....	19,350	39	61
EAST				
(E)	Portland (Me.) Express.....	18,815	83	17
(E)	New York Globe.....	165,000	90	10
(E)	Scranton (Pa.) Times.....	36,091	60	40
(E)	Binghamton (N. Y.) Press & Leader	25,355	52	48
(M)	Paterson (N. J.) Call.....	11,520	82	18
SOUTH				
(E)	Paducah (Ky.) Sun.....	6,449	51	49
(E)	Jacksonville (Fla.) Metropolis....	18,650	55	45
(E)	New Orleans Item.....	53,001	52	48
(E)	Houston (Tex.) Chronicle.....	32,449	39	61
(E)	Augusta (Ga.) Herald.....	10,552	55	45
WEST				
(M)	Omaha World Herald.....	31,595	17	83
(E)	Omaha World Herald.....	26,144	86	14
(M)	Topeka (Kan.) Capital.....	32,377	28	72
(M)	Sioux City (Ia.) Journal (M & E)..	46,360	25	75
(M)	Salt Lake City Herald-Republican..	16,991	47	53
(E)	Phoenix (Ariz.) Gazette.....	6,334	67	33
(M)	Butte (Mont.) Miner.....	9,052	63	37
(M)	San José (Cal.) Mercury-Herald...	11,028	60	40
(E)	Portland (Ore.) Journal.....	49,606	60	40

The circulation figures quoted are for the year ending September 30, 1914. It will be observed that of these 25 papers selected at random, all but two of the evening papers have the largest percentage of distribution in the city. One notable exception is The Houston Chronicle. Of the morning

papers, the division is about equal between those having the largest distribution in the city and those having their greatest circulation in the country.

While these figures, and the average from the 158 in the whole list (55 per cent city to 45 per cent country), may not be conclusive, it seems safe to assume that the standard distribution would be about 60 per cent city and 40 per cent country. The nearer a paper gets to the 50-50 division of distribution, the healthier is its distribution. A glance at the percentage of *The Houston Chronicle*, 39 per cent to the city and 61 per cent to the country, shows an unusual division for an evening newspaper. It does not mean that the city has been neglected, but that, having exhausted the sales possibilities in the city, the country has been invaded with big and highly gratifying results.

The morning *Omaha World-Herald* shows only 17 per cent city distribution and 83 per cent country, whereas the evening edition of the same paper just reverses this distribution percentage. Such a situation is usual where a single paper covers both fields. One emphatic conclusion from an examination of a great many papers is that the evening newspaper need not abandon the country to the morning paper on the assumption that the former reaches the reader too late. The evening paper often contains certain features which the country people want, and for which they will buy that paper.

The State or Mail Edition

When evening papers like *The Houston Chronicle* can build such large country circulations in the face of morning competition, there is no reason why the circulation managers of all evening papers should not go after this business energetically. It may involve, as in the case of *The Indianapolis News*, a special state edition printed from 5 to 8 hours after the last regular evening city edition. This means that the issue for

mail and rural distribution is a paper with news practically as late as a morning edition.

Solicitors armed with this argument can make excellent headway against the morning paper's argument of "today's news today." Many papers, like The Louisville Post, pre-date the last evening edition and call it "State Edition." This, however, is something widely different from a specially printed state edition with news up to the time of going to press. Owning to the policy of going to press at from 2 to 7 P.M. Saturday, many Sunday editions of papers intended for distant distribution are, from a news viewpoint, little better than the last Saturday evening edition.

By keeping a card index of all non-subscribers, the circulation department of The Schenectady Union Star successfully operates an excellent plan for determining how close to the sales possibilities of its field it has approached. Making this index and keeping it up to date has necessitated a careful canvass of the city, involving considerable work, but the originators of the plan are convinced that it yields information justifying the effort. It is an extension of The Indianapolis News theory of keeping a card index of its 100,000 subscribers.

The Best Circulation

Intensive work is the best; that is, building circulation within the retail trading radius. Even foreign advertisers are beginning to favor the papers which have the most concentrated circulation, and are not greatly impressed with circulation among people who must go elsewhere than to the paper's publication city to do their buying. It is a truism, therefore, that circulation sales should follow the natural channels of trade of the city of publication. When circulation gets outside these channels, the paper is carrying circulation on which it loses money, and for which advertisers are increasingly loathe to pay.

ADVERTISING RATES AND CIRCULATION

Variations in Advertising Rates

Nothing illustrates more forcibly the chaotic condition of publishing than the wide variations in advertising rates in relation to circulation. Among magazines the standard rate is considered $\frac{1}{2}$ cent per line per 1,000 of circulation, while if a standard for newspapers can be stated, it would be somewhere between $\frac{1}{5}$ and $\frac{1}{7}$ of a cent per line per 1,000 of circulation.

The Saturday Evening Post, with more than 2,000,000 weekly, gets \$8 a line, or \$112 an inch for one insertion. This is its maximum rate, but instead of figuring out to the standard magazine rate of $\frac{1}{2}$ cent per line per 1,000, it is $\frac{2}{5}$ cent per line per 1,000 of circulation. At $\frac{1}{2}$ cent per line its rate would be \$10 a line or \$140 an inch. It is therefore actually charging \$2 a line under standard.

The New York Evening Journal, with more than 800,000 copies daily, has a run-of-paper rate for one insertion of 60 cents a line, or \$8.40 an inch. If $\frac{1}{2}$ cent a line were standard for newspapers, The Journal would receive \$56 an inch! As a matter of fact it receives slightly less than $\frac{1}{12}$ of a cent per line per 1,000 of circulation.

Variation between Periodical and Newspaper Rates

Why do advertisers pay more for circulation in periodicals than in newspapers? The main reason is in the durability of the advertisement, that is to say, in the life of the advertisement, which is thirty times longer in a monthly magazine than in a daily paper. Again, the magazine reader, as a rule, has a higher purchasing power than the daily paper reader. But when these and other obvious reasons are discounted, it remains evident that newspaper circulation is underpriced, and the big values advertisers get in newspaper publicity doubtless

account for the great increase in national advertising in newspapers in the last two or three years.

Table of Advertising Rates

The table given below shows the advertising rate per inch that will be yielded by any line rate, from $\frac{1}{2}$ to $\frac{1}{8}$ cent, on any given volume of circulation.

Line Rate per 1,000....	$\frac{1}{2}\phi$	$\frac{1}{3}\phi$	$\frac{1}{4}\phi$	$\frac{1}{5}\phi$	$\frac{1}{6}\phi$	$\frac{1}{7}\phi$	$\frac{1}{8}\phi$
Circulation							
1,000 ...\$	.07	\$.04 $\frac{2}{3}$	\$.03 $\frac{1}{2}$	\$.02 $\frac{4}{5}$	\$.02 $\frac{1}{3}$	\$.02	\$.01 $\frac{3}{4}$
5,000 ...	.35	.23	.17	.14	.11	.10	.08
10,000 ...	.70	.46	.35	.28	.23	.20	.17
25,000 ...	1.75	1.16	.87	.70	.58	.50	.43
50,000 ...	3.50	2.33	1.75	1.40	1.16	1.00	.87
100,000 ...	7.00	4.66	3.50	2.80	2.33	2.00	1.75
300,000 ...	21.00	14.00	10.50	8.40	7.00	6.00	5.25
500,000 ...	35.00	23.33	17.50	14.00	11.66	10.00	8.75
800,000 ...	56.00	37.33	28.00	22.40	18.66	16.00	14.00

The foregoing table is calculated as follows:

By multiplying the advertising rate per line by the number of lines in an inch (14), the rate per inch per 1,000 is obtained. For example, a rate of $\frac{1}{2}$ cent per line per 1,000 is equivalent to 7 cents an inch per 1,000, because $\frac{1}{2}$ multiplied by 14 gives 7. Thus, $\frac{1}{3}$ cent per line is equivalent to 4 $\frac{2}{3}$ cents an inch; $\frac{1}{4}$ cent per line is equivalent to 3 $\frac{1}{2}$ cents an inch; $\frac{1}{5}$ cent per line is equivalent to 2 $\frac{4}{5}$ cents per inch; and so on. Then by multiplying the inch rate per 1,000 by the number of thousands of circulation, the result is the advertising rate per inch for that circulation.

Comparison of Advertising Rates

The Boston Post, with more than 450,000 circulation — the largest week-day morning circulation in America — receives only 40 cents a line, or \$5.60 an inch. This is about 1 $\frac{1}{6}$ cents an inch per 1,000 of circulation, or $\frac{1}{12}$ cent per line per 1,000, which is the same as the rate of The New York Journal. The

Post and The Journal are both one-cent papers, so their circulation rates are also on a parity.

The New York World, evening edition, with less than half the circulation of The Journal, still carries four-fifths as much advertising, which emphasizes the inability of newspapers to cash in on their circulations.

The Chicago Tribune in January, 1915, with a daily morning circulation of 320,000, received 40 cents a line, or \$5.60 an inch, for transient display advertising. This is about $\frac{1}{8}$ cent per line per 1,000, or $1\frac{3}{4}$ cents an inch per 1,000.

The Washington Star, with 68,000 circulation, received \$2.10 an inch, which is about 3 cents an inch per 1,000, or nearly $\frac{1}{4}$ cent per line. The New York Herald, a three-cent daily, received 38 cents a line, \$5.32 an inch, for department store display on 100,000 circulation, which is better than $\frac{1}{3}$ cent per line per 1,000 — considerably above the average.

It should be remembered that all these rates are the maximum one-insertion rates and that the larger part of newspapers' advertising revenue is derived from minimum rates which are at least 25 per cent under the figures here given.

"The Gilt Edge Newspapers"

The absence of any standard line rate for newspapers based upon circulation is apparent. In an effort to arrive at an average, or standard, rate, calculations were made for the year ending September 30, 1914, on 158 papers of "The Gilt Edge Newspapers" group, which includes dailies with circulations from 650 to 165,000 copies. As this period took in only two months of the European War, the reports are normal.

These 158 papers had a total advertising rate for one inch, one insertion, of \$97.20. Their combined circulation was 2,431,000. The average rate consequently was 61.6 cents an inch, and the average circulation was 15,386. The rate per line per 1,000 was $\frac{2}{7}$ cent, and the rate per inch per 1,000 was

4 cents. If $\frac{1}{2}$ cent per line were standard, the 2,431,000 circulation would yield \$170 an inch instead of only \$97.20.

Estimating their minimum rates, the total cost of one inch, one time, in all 158 papers would be \$68.52, or about 29 per cent under the maximum quotations. This is the rate upon which contracts for big space — like that taken by department stores — are based and from which the larger part of the paper's revenue is derived. The average minimum rate, therefore, for 158 papers was 43.7 cents an inch on 15,386 circulation. The rate per line per 1,000 figures $\frac{1}{5}$ cent, and the rate per inch per 1,000 is $2\frac{4}{5}$ cents.

Inasmuch as these newspapers are the pick of the newspaper field, and so assured of their circulation positions that they could publish their figures in detail, they do not perhaps afford an accurate test. It would not be safe to announce $\frac{2}{7}$ cent per line per 1,000 as a standard maximum rate, or $\frac{1}{5}$ cent per line a standard minimum rate, simply from a test of 158 papers. But it is interesting as an approximation.

Taking up the individual papers, the following rates per line per 1,000 of circulation were revealed:

18 received $\frac{1}{2}$ cent per line					
23	"	$\frac{1}{3}$	"	"	"
23	"	$\frac{1}{4}$	"	"	"
13	"	$\frac{1}{5}$	"	"	"
14	"	$\frac{1}{6}$	"	"	"
6	"	$\frac{1}{7}$	"	"	"
2	"	$\frac{1}{8}$	"	"	"
5	"	$\frac{2}{7}$	"	"	"
15	"	$\frac{2}{5}$	"	"	"
5	"	$\frac{3}{5}$	"	"	"
19	"	$\frac{2}{3}$	"	"	"
8	"	$\frac{3}{4}$	"	"	"
3	"	$\frac{4}{5}$	"	"	"

One received as high as $1\frac{3}{4}$ cents per line and three received one cent per line, making the 158 papers. It was observed that the smaller the circulation, the higher the line rate; and vice versa, the larger the circulation, the lower the line rate. Examples illustrating this have been cited.

Circulation managers show a tendency to regard 2 cents an inch per 1,000, or $\frac{1}{4}$ cent per line, as a standard rate, and to consider that their papers are above or below par according as they exceed or go under this standard.

Rate Not Commensurate with Circulation

Every publisher knows how like pulling eye teeth it is to advance advertising rates. And from the facts here stated it is evident that there is little incentive to building excessively large circulations, except the consideration of pride in having the largest, because advertising rates cannot be made to advance commensurately with circulation.

The New York Herald, with around 100,000 circulation, received the comparatively high rate of $\frac{1}{3}$ cent per line for local display; whereas, The Evening Journal, with 800,000 circulation, received the very low rate of $\frac{1}{12}$ cent per line per 1,000 of circulation. Of course, other factors than volume of circulation affect advertising rates. The Herald's 100,000 readers have a much higher purchasing power for luxuries and high-priced commodities than The Journal's 800,000 readers. The two papers appeal to different strata in society, and advertisers cannot reach either stratum without using one or the other of the two mediums.

When the European War began, some metropolitan papers doubled their circulations almost overnight. The New York Evening Telegram, for example, leaped from 200,000 to 400,000 daily, and this was a dead loss, because advertisers refused to pay, even if they were asked, any higher advertising rate, and the cost of print paper made the gain a business calamity.

There was an important advantage in that The Telegram was introduced to many new readers, but in the main the regular buyers simply doubled, trebled, or quadrupled their purchases of the various editions and extras.

Carrying Unsalable Circulation

It is noticeable among magazines that they are seeking to maintain their advertising rates with just as little circulation promotion as possible. To carry 100,000 excess circulation from which no advertising revenue can be collected, may mean the difference between a profit and loss on the publishing enterprise. At the same time it is a delicate thing for a newspaper or magazine to halt arbitrarily its aggressive efforts at growth. The problem is to know what is natural growth and to cultivate that, and what is hot-house growth and to avoid that. New publications are a law unto themselves in circulation work, because they violate all economic principles in order to get a footing; hence what is said here applies to established publications.

Relation between Advertiser and Publisher

A more intimate and sympathetic relation between publishers and advertisers is not only desirable, but coming to pass. Newspapers which formerly obtained business by flourishing large circulation figures are now asked to show how the circulation is distributed, in the city, suburbs, and country. This is making it difficult to deal in generalities. The local retail merchant finds that a large percentage of the circulation is entirely outside of the retail trading radius, and proceeds to count that part of it useless. And the foreign advertiser is more and more concerned in circulation concentrated in the paper's natural territory.

Marshall Field in Chicago knows that advertising in that part of The Herald, Tribune, or Examiner circulation which

goes to Iowa, Nebraska, Missouri, Indiana, and Kentucky is useless to him except in general publicity, and as a producer of a modicum of mail orders. At some time—perhaps once or twice a year—the readers in outlying states will come to Chicago and want to see Marshall Field's store. But day by day the advertising is wasted upon them. The conclusion is that papers seek and carry much circulation that cannot be sold, or cannot be sold at a profit.

Reducing Unprofitable Circulation

One publisher suggests that a newspaper should go to the local advertisers and say: "We have so many subscribers in the city and the retail trading radius. That is the circulation that you want. We propose to cut off all the distant business, and while this will cut down the gross circulation, it will not affect the value of the circulation to you. It will, however, reduce our expenses and make it possible for us to continue at present advertising rates, and to work intensively for circulation within the retail trading radius. Will you agree to this plan?"

This publisher then suggested that the paper let the business outside of the retail trading radius die a natural death. It involves an agreement with the local advertisers as to what constitutes the retail trading radius, but even if this is liberally bounded, it will enable the average paper to save from 5 to 20 per cent in circulation. It would have the advantage of naturalness in circulation. It would do away with the policy of arguing for a particular advertising rate on a gross circulation obtained at a high expense and having small value to the local advertisers who keep the paper going. The Audit Bureau of Circulations is laying strong emphasis on circulation within the retail trading radius, and the inevitable consequence will be a less strenuous effort upon the part of circulation managers to get business outside. The Chicago News has always been a

wonderful advertising value because of its concentrated circulation within the Chicago retail trading radius.

A new era in circulation work is dawning in the intelligent interest that advertisers are showing in circulation distribution; and their strong common business sense will cause them to accede to any reasonable curtailment of the field of operations that the publishers may suggest. Manufacturers endeavor to avoid far-away and isolated business because the freight charges eat up profits. They build business from their own doors outward — that is to say, they want business to be centrifugal instead of centripetal. Newspaper circulation should be built according to the same law.

CHAPTER VII

PRINCIPLES OF CIRCULATION MANAGEMENT

RETURNS AND OVERPRINT; SELLING EXPENSE

Restriction of Overprint and Returns

One of the signal results of the new conception of circulation as a commodity, and an analysis of it into natural and artificial limits, has been the restraint of the "overprint" and "returns" abuses.

It used to be a common practice to pad circulation by printing a large excess over actual sales. In some offices they still delude themselves, and possibly the advertisers, into thinking that because the press run is large the circulation has a healthy aspect.

This is vanishing with a double-quick step for two reasons: The advertisers are now fully awake to the difference between net paid and gross circulations. And the cost of white paper makes the waste in returns and overprint economically disastrous. Naturally, if the overprint cannot be capitalized or sold, it will tend, and is tending, to disappear.

The question, what is a normal percentage of overprint, is answered variously. The standard in efficiently managed departments is 1 per cent. For returns, where they are allowed, 15 per cent for newsdealers and 5 per cent for agents seems quite liberal. Unless a paper is making a special campaign for new readers through sample copies, larger percentages than those here quoted reflect the old ideals.

To give newsdealers an excess supply may make a showing

on the news-stand, but when the returns get back to the office, the results have not been anywhere near the cost in white paper. John M. Schmid, upon taking charge of the circulation department of The Indianapolis News, cut off from 600,000 to 700,000 returns the first year.

Now, this represents a scientific understanding of circulation management. Mr. Schmid's department was bearing the cost of all that wasted white paper, and the cost of handling it both ways. It did the paper no appreciable good. If the reports over several months show that a newsdealer will sell on an average only 12 papers a day, to allow him 15 per cent returns, or 2 copies, is a safe margin. To send him 8 or 10 extra copies daily is a waste.

Advertisers are justly refusing to pay for this waste. They are refusing to pay for complimentary, deadheads, samples, file and office copies, copies to other advertisers, and all the free distribution. Hence, there is a decided tendency in progressive offices to reduce this distribution to a minimum.

In an emergency caused by a big piece of news, a liberal overprint policy is preferable to a skimpy policy. But day in and day out 1 per cent overprint is ample, if distributed with judgment formed from a close and intelligent study of average sales.

One of the noticeable facts about New York news-stands is the large accumulation of unsold papers, particularly the evening editions. They seem to be distributed with a lavish hand. During the war fever this was permissible, for no paper risked being sold out before the demand was met. Yet even then the stacks and stacks of unsold papers showed how little judgment was being used. The circulation managers should have visited the stands to see their own policies in practical operation. Perhaps they did, but the waste has gone right along, while the publishers meet from time to time and agitate the increase of price from one to two cents!

Eliminating Deadheads

If circulation managers scientifically studied how to keep the press run at a minimum, they would make surprising economies in paper bills. Here is a small instance. A daily published in one of our smaller cities cut off 16 deadheads recently. These 16 deadheads required 2 pounds of paper a day, the paper being 8 pages. This amounted to 624 pounds a year of 312 days. The paper cost $2\frac{1}{2}$ cents a pound, or \$15.60 a year. In addition there were the delivery charges, 39 cents a year by mail; \$2.08 a year by carrier; which on 16 deadheads amounted respectively to \$6.24 and \$33.28. On this paper in a city of 25,000 population such a saving will more than pay for the circulation manager's salary for an entire week.

This publisher figures that paper costs \$1 a year per subscriber, and postage 39 cents. Hence every time he can cut off a free copy he has saved \$1.39, and if delivered by carrier, \$3.08. With this impressive fact, he began pruning his free distribution with most gratifying economies. Every newspaper in America can do the same thing and some can save thousands instead of hundreds.

Scientific circulation management means nothing if it does not mean just such economies. The circulation manager too big to make them is too small for the best-managed offices. The efficiency movement is at work in publishing as actively as in other industries.

The New York Times for the last five years has followed a no-returns policy. Dealers bear the loss from oversupply. Still there does not appear to be any lack of The Times on news-stands. The Chicago Tribune is also a no-returns paper. The general rule, however, is to allow returns. Many circulation managers continue to mesmerize themselves, and possibly their advertisers as well, into believing that press run is circulation.

Cutting Down Waste

The waste around the presses also may be watched with good economies. When everybody in the department is imbued with the idea that each pound of paper wasted is $2\frac{1}{2}$ cents lost, economy becomes easier. Small prizes, or honors, for efficiency in printing an edition with a minimum loss at the press, are eminently worth while. Then with a spirit of economy in the free list, returns, and overprint, a saving in annual paper bills will be made that will, or should, attract the publisher's eye. The smallest daily or weekly can count itself in on this efficiency movement. Think of paper in terms of money and the prodigal waste will cease.

The 1914 white paper bill of newspapers in the United States was approximately \$71,000,000. The New York Times alone uses 500 tons a week costing about \$1,200,000 a year.

SELLING EXPENSE

Percentage of Renewals

In a field where the newspapers generally employ contests, premiums, and similar selling schemes, the percentage of renewals will be lower than for each paper in a field where only straight subscription work is attempted. For it follows logically that a subscriber attracted to a paper by a bait, will be attracted to another paper by a better bait. This constitutes the objection some publishers have to premiums, etc. They feel that it is not stable business, though it is more so than they think.

A newspaper that is satisfying the public will renew between 80 and 90 per cent of its subscribers. This will be the irreducible minimum that cannot be attracted to another paper. In a city where the street and transient sales are excessive, such a rule does not apply, for there is no way of determining the personnel of each paper's readers. The reference here

is to carrier cities. The New York Times has about 23,000 mail subscribers out of 300,000 circulation, and these are substantially the only part of its customers that The Times knows anything about. The other 275,000 are lost in the New York crowd.

New York newspapers, therefore, maintain their average sales, or improve upon them, without knowing which of the competing newspapers lost the business. The Mail, Sun, Globe, and Telegram are in a general class, and they swap customers every day, because the only way one paper in New York can get a reader is to influence him away from another paper. At the same time each paper, because of peculiar features and its individuality, retains a certain minimum.

Expirations and New Business

To offset expirations and readers lost to other papers, as well as to maintain a normal growth, a newspaper should add about 20 per cent new business annually. If the renewals are 90 per cent this leaves 10 per cent net increase. Where the population gain is normal and no extraordinary promotion schemes are used, this is a healthy growth.

In connection with the foregoing point may be considered the comparative cost of old and new business. With many papers a renewal is obtained at 10 per cent of the cost of obtaining new business. If the subscriber has been educated to premiums and contests, the cost will be higher, but as the understanding of the selling principles underlying premiums, etc., becomes clearer and sounder, this higher cost will decrease. In general, it is 90 per cent more expensive to add a new name than to renew an old one.

Bad Accounts

Where carrier boys, as in the South, are paid weekly wages for delivering papers, the losses from bad accounts fall on the

newspaper which does the collecting, either through the carriers or specially employed collectors. In the rest of the country the tendency is decidedly toward shifting this loss to the carrier and the agent.

The Portland Oregonian discontinues all subscriptions the day they expire. Its agents, carriers, and other circulation employees are under bond; hence the paper loses absolutely nothing. The same system is in vogue in most Northern, Eastern, and Western offices, and is growing in favor in the South.

It is unquestionably the best system for all concerned. It makes a more efficient and interested carrier force, and the commission that the boys and dealers usually receive—40 per cent—is sufficiently liberal to enable them to bear the losses from bad accounts.

If a boy buys six papers at 6 cents and sells them for 10 cents, he has made 4 cents, or $66\frac{2}{3}$ per cent upon his investment. This is a wide margin of profit. The paper cannot wisely afford to shoulder losses from bad accounts after allowing such a profit. Many cities in which the old system is still operative could change to the independent basis with much more ease than they imagine, and with a large benefit to themselves.

Normal Selling Expense

Other manufacturing enterprises have a more or less established selling cost which is considered standard, but newspaper circulation promotion work is not in so stable a position. There is a distinction to be drawn between the selling expense of an established newspaper and one which is attempting to get a foothold in the field, or is attempting to rehabilitate itself.

A new enterprise always apportions a larger amount to selling than it will allow when it has become a going concern. The New York Tribune began in 1913 an extraordinary cam-

paign to sell itself into a larger circulation, and the great selling expense it allowed is too high above standard to be considered in this discussion. Its investment practically amounts to a capital increase.

On the other hand, what would be considered as a normal selling expense of a newspaper under average conditions? Some highly successful papers report 35 per cent. Others run as high as 50 per cent. A few get down to 25 per cent.

If a paper sells at \$3 a year, country edition, a selling expense of 35 per cent would allow \$1.05 for obtaining a new subscriber. This would cover the cost of a premium and the cost of the solicitor if he is on a salary, or commission if he is on that basis. The \$1.95 left would go into white paper and postage. By consulting the table on page 64, it will be evident which papers have a margin for selling expense after paying for paper and postage.

A six-day paper of 8 pages has a combined mailing and paper expense of \$1.39, leaving, out of a \$3 subscription rate, \$1.61 for selling expense. If this paper holds the selling expense to 35 per cent, or \$1.05, the total for paper, distribution, and selling is \$2.44, leaving 56 cents profit to bear departmental and overhead charges.

The same paper sells at \$5.20 by carrier in the city. Allowing 4 cents a week, or \$2.08 a year, for delivery; \$1 for paper and 35 per cent for selling, or \$1.82; the total for paper, distribution, and selling is \$4.90, leaving 30 cents for profit to bear departmental and overhead charges.

But the cost of selling in the city will not equal the cost of selling in the country, for this paper. No premiums are used in the city and the soliciting expense is not so large. This paper uses a premium costing 25 cents, in the country work, and a solicitor who is paid \$25 a week.

The Jackson (Mich.) Citizen Press pays its carriers 25 cents for every 16-weeks' subscription, which is at the rate of

about 80 cents for a yearly subscription, or between 15 and 16 per cent of the subscription price of \$5.20 a year by carrier. This is a low selling expense and has proved effective. Certain prizes used in contests to stimulate the boys to work for new business will increase the selling expense slightly.

Where the white paper alone consumes the circulation revenue, the selling problem is unchanged so far as keeping it under 35 per cent is concerned. In Chapters XIV and XV, "Premiums" and "Contests" respectively, further consideration will be given to the question of selling expense. There are some papers which cover their field so adequately that new business comes in without much urging or expense, because the publishers have estimated so nicely the temper of the people, but the usual circulation department is under the necessity of keeping everlastingly at it — which constitutes the zest and the cost of the game.

CHAPTER VIII

A MODERN CIRCULATION DEPARTMENT

Circulation Department of The Indianapolis News

The Indianapolis News is one of the most conspicuously successful newspapers in America. A six-day evening newspaper selling at two cents a copy, it has attained a circulation of more than 105,000 daily in a city of 275,000 population and in the state at large. It runs from 18 to 32 pages and carries 90 columns of advertising without straining its own daily record.

For the last ten years the circulation department of The News has been managed by John M. Schmid; and as the organization he has built is, in many respects, a model, it will be described in some detail.

It is believed that by visualizing an organization like The News, which presents every phase of circulation work highly developed—city, country, and rural—as is done in this chapter, and showing the variations from this model in subsequent chapters, the clearest idea of departmental organization and practice will be obtained.

Organization Chart

The chart which follows shows the organization and lines of contact between the manager of circulation and the subscribers. It is evident that the work has been divided along natural lines and without overlapping duties or confusion of authority. But a description of functions should be preceded

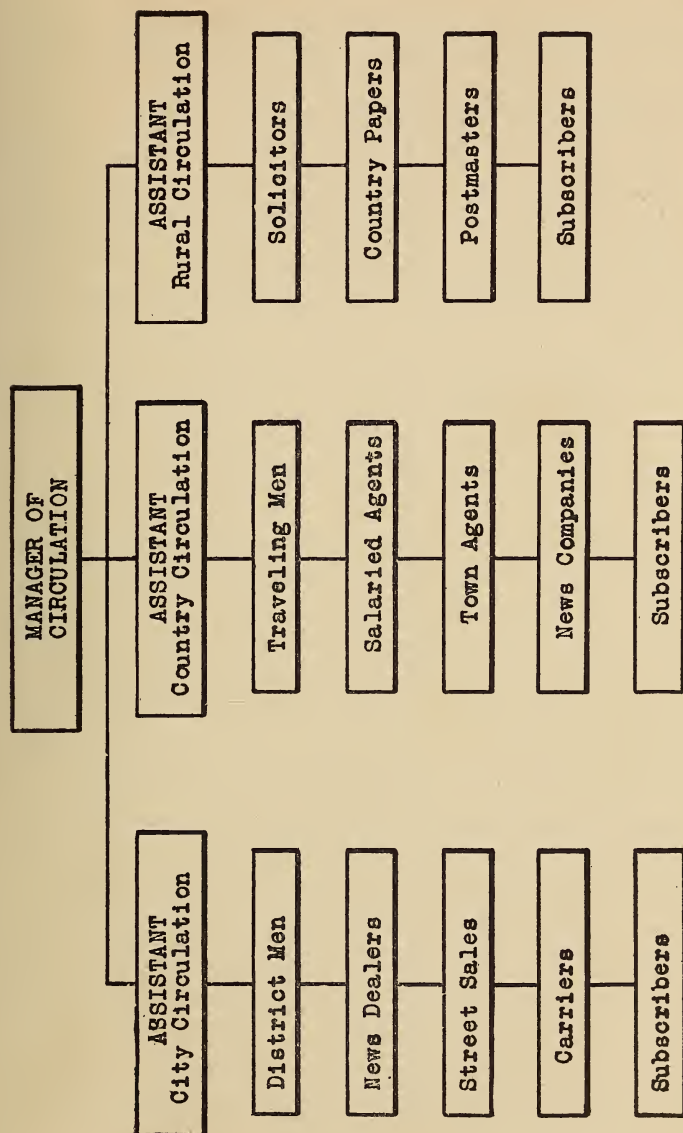


Chart 2. Organization of Circulation Department

by a knowledge of the basic principles of which the organization is an outward expression.

The Ideal of Individual Service

First of all, Mr. Schmid seems never to have thought of subscribers as a mass. The individual is far more important in his mind than the aggregate number, so that the 100,000 subscribers are treated as units which must have perfect handling to the last one before a satisfactory view of the whole is permissible.

Every detail of the organization was developed to assure perfect service to the individual subscriber; and, to show the extent to which this was carried, it may be stated that The News maintains a card index of, and practically knows, each one of its 100,000 subscribers.

Not one is allowed to stop the paper without a full investigation of his reasons and a strenuous effort to retain him. How this is done will be described further on. Again, as emphasizing the idea of service, The News has a good many subscribers to whom the cost of delivery is actually three times as much as the subscription price.

Service, therefore, is the italicized word in Mr. Schmid's vocabulary. The entire distributing force has been impressed so strongly with this idea that they take as a matter of course in his written instructions a liberal use of the phrases, "expelled from the Carriers' Association," or "instantly discharged," for violations of the rules.

An outsider reading these instructions feels that an iron discipline is enforced, and might imagine that changes in the personnel would be frequent because of such exacting standards, but the employees have risen to the spirit back of the rules and deliver the character of service required. They get the service idea.

Naturally this is a prominent reason for the fine showing

of The News. At the same time, Mr. Schmid frankly says that his greatest asset as a sales manager is a good newspaper to offer buyers. The combination of an excellent product with an efficient sales organization is the secret of The Indianapolis News' success.

Keeping Close to Subscribers

Like many manufacturers, newspapers with large circulations frequently allow themselves to become aloof from the consumer, through the interposition of middlemen. The tendency is to sell to the wholesaler, the jobber, the agent, or the retailer, and to leave the consumer in their hands.

The News sells to these middlemen, but on terms that do not sever the producer-to-consumer relation. Neither agents nor carriers are allowed to stand between The News and an intimate contact with its subscribers.

An elaborate system of daily and weekly reports enables the manager of circulation to know the precise reason why Andy Jones on a remote rural route stops his paper, as well as the cause for the dissatisfaction of a customer in the Third Ward of Indianapolis. No subscriber is too remote to be outside this comprehensive system.

Carriers and agents own the routes or subscriptions, but upon conditions that make the subscribers understand that The News knows them and looks upon them as members of its family. The practical machinery of this system will be elaborated elsewhere.

Mechanism of Distribution

To give the kind of service sketched broadly here, about 8,000 persons have some part in circulating The News, including, of course, the express, interurban, railroad, and mail men who are not paid by The News, but who are mentioned to show the scope of operations. In the foregoing total, how-

ever, there are 1,600 city carriers, 300 newsboys, 800 state agents, 4,000 boys under the state agents in other Indiana towns, and 160 helpers in the main circulation department, all of whom derive an income from The News. As the paper's general policy is to "go it alone," a vast majority of the force have no other newspaper connection, and a surprising percentage are on straight salaries.

Handling City Circulation

Taking up the organization in detail, it will be noted that there is an assistant in charge of city and suburban circulation. His territory is the city of Indianapolis and suburbs for a radius of 20 miles. The News has about 65 per cent of its circulation in this territory.

Indianapolis has been divided into twenty-five districts for carriers, and one district for news-stand and newsboy sales, with a district manager for each. Within these districts there are 36 substations, which are mostly stores or rooms leased by The News. Eleven are managed by dealers on a commission basis, and twenty-five of the largest stations are managed by the district men. Each substation has telephone connection with the main office.

The carrier force, numbering approximately 1,600, centers in the substations. The manager, whether dealer or district man (the latter being on a salary), must have the station open by 2:30 o'clock P.M., and is responsible for the discipline and all circulation operations within his bailiwick. Papers are delivered to the substations by The News in automobiles.

Instructions to Substation Managers

A substation manager receives a book of instructions, or rules,¹ about twenty of which are devoted to sales and "ginger" talks on the points of neatness, honesty, optimism, industry,

¹ See Form 35 for complete rules.

enthusiasm, etc. Below, the author has summarized the other rules to show the general policies:

1. Keep in touch with the main office by telephone during the day.
2. Substations must be open at 2.30 P. M., and managers must report "off duty" at 5.30, except during the baseball season.
3. No smoking is allowed while on duty.
4. A bond must be furnished for the faithful performance of duty.
5. Visit all news-stands in your territory once a week and substations twice a week. (This rule applies to district men who do not manage substations.)
6. Collections must be made at news-stands and substations every Tuesday. Unsold papers must be taken up.
7. Substations must be kept in sanitary condition, and good deportment must be enforced.
8. You are responsible for all papers sent to your station. Advance payments by carriers must be forwarded to the main office to be held in trust.
9. Study The News thoroughly every day so that you may know the product you are selling.
10. Results only are considered. In your district you must work out your own salvation as regards circulation.

Centralized Control

From these and other rules to be considered further on, it is evident that the manager of circulation has shifted every responsibility and function to the shoulders of subordinates, that they can assume. He thus is left free to handle the larger problems, and to give the general supervision that an executive desires.

However, Mr. Schmid has never lost touch with the daily routine and maintains a close personal relation with the entire distributing force. He scrutinizes daily and weekly reports with great care and regularity to discover the drift in the circulation stream, so that abuses may be corrected, or promotion aids devised, before any problem becomes formidable.

The old-fashioned business policy was to take an inventory once a year, and many large and successful concerns never really knew how they stood except at such periods. The monthly trial balance has superseded this policy, and now most progressive concerns can tell on a moment's notice the actual condition of affairs.

The News has developed this idea to a daily basis. Each morning Mr. Schmid knows the exact circulation figures; knows the fluctuations, and at what points gains or losses have been made; knows the peculiar conditions that surrounded the fluctuations; and knows—and this he watches with eternal vigilance—which subscribers failed to receive good service, and why.

The reports from agents, district men, traveling men, solicitors, and carriers that yield this information are not intricate. The success of such a system lies in allowing no laxity in sending the reports to the office. Some of these reports are reproduced among the forms in the latter part of this volume.

The Work of the Carriers

The carriers report to the substations at 4 P.M. They are permitted to solicit business anywhere, but are advised to economize leg work by soliciting within a restricted area. These carriers own their routes in a certain sense, that is, they own them under conditions which give The News absolute control at all times.

They must pay for their papers daily, or in advance for as long as they please, and the profit they make is 4 cents a week per subscriber, or \$2.08 a year per subscriber. They buy six papers a week at one cent a copy, 6 cents, and sell them for 10 cents a week. Losses from bad accounts are borne by the carriers or agents. The average route among the 1,600 carriers is 37 subscribers, with a maximum of 75 copies, and the average age of the carriers is 11 years.

Indianapolis News Carriers' Association

One of the means adopted to control the carriers and the subscription list was the organization of "The Indianapolis News Association of Carriers." No boy can carry The News unless he is a member, and a bond must be given, signed by the boy and his parent or guardian. Only a digest of the rules of the Association will be given here to show the principles involved:¹

1. Object. Promote circulation, inculcate ideals, and equip members for manhood work.

2. Membership. Any boy or girl, 8 years and up.

3. Record Number. Each carrier taking 4 copies or more is given a number in the records of the office.

4. Bulletin Boards. In substations for all notices concerning carriers or subscribers. Must be read daily.

5. Carrier Slips. These show papers bought daily. Also names and addresses of each stop or new subscriber.

6. Payments. Cash daily for papers, or in advance.

7. Supplying Papers. Impartially to the boys as they appear. No discrimination by substation manager.

8. Counting Papers. This must be done before leaving station, as no shortages will be allowed.

9. Delivery. Every subscriber must be served by 5.30 o'clock.

10. Deportment. No smoking, chewing, spitting, or boisterous conduct is permitted in or around substations.

11. New Business. The signature of the subscriber must prove first delivery. Spare time should be devoted to soliciting.

12. Buying and Selling Routes. The carrier must have the station manager's consent.

13. Substitutes. Each carrier must have a substitute acceptable to manager; and if 75 or more papers are carried, a helper.

14. Vacations. Annually, with permission of manager, after arranging for acceptable substitute.

15. Collections. Weekly collections advised. Carrier bears losses from bad accounts.

16. Trust Funds. Money paid in advance by subscribers at main office is held in trust for the carrier.

¹ See Form 34 for complete rules of the Association.

17. Complaints. The carrier must acknowledge complaints and apply a remedy instantly. Missed papers delivered at his expense.

18. Stops. Paper must be stopped promptly upon notice, and the reason must be ascertained and reported to office.

19. Missed Papers. If delivery has to be made from main office, the carrier is charged for messenger hire.

20. Subscribers' Names. A complete list must be furnished to The News by each carrier, with additions and revisions.

21. General Instructions. Carriers act solely as distributors, not owning the subscribers. Carriers cannot deliver any other paper. They are not allowed to distribute circulars.

Controlling the Carriers

The outstanding fact about the foregoing rules is the absolute control, amounting to a "benevolent despotism" exercised by The News over its distributing force. Expulsion from the Association, and loss of a route, are the penalties for a violation of any of the rules.

The character of the boys constituting the force is supervised in the provision that no route may be sold without the consent of the district man, or the manager of city circulation. An unbroken contact with the subscriber is maintained in the provision that carriers must file the names and addresses with The News, and make a detailed report on every new customer, or cancellation.

The real effect of the rules is to give The News all the control over the carrier it would have if he were on a salary, and yet to secure all the benefits of the independent, or commission, basis of employment, in such things as shifting the losses in bad accounts to the carrier, and having him feel the stimulus of increasing his income by getting more business.

As rigid as they are, the rules have not operated to depress initiative, or enthusiasm. On the contrary, a strict justice and a stimulating social contact induce an activity so efficient that

no canvass of the city for new subscribers has been made by solicitors since 1906, and in the interim more than 35,000 subscribers have been added. Mr. Schmid modestly attributes this showing to "the merits of the paper."

Creating an "Esprit de Corps" among Carriers

Some of the things done at the expense of the paper for the creation of an "*esprit de corps*" among the carriers follow:

1. A big annual outing in the summer at an amusement resort with everything, including dinner, free.
2. A Christmas gift of \$1 in merchandise at any store advertised in The News, to each of 1,600 carriers.
3. A visit from the district man if the carrier is ill. Financial help is given if it is needed. In case of death, the paper invariably is represented at the funeral, and a floral tribute is sent by The News.
4. A Newsboys' Band of 50 pieces, and a second band of 40 pieces, are maintained at an expense to the paper of \$3,500 annually. The bands play for public and charitable affairs.
5. A Glee Club of 50 members composed of employees in every department.

Instructions to Carriers

The News prints and supplies free to its carriers all the printed matter needed in making out reports, and in keeping records of subscribers and collections; also forms for furnishing to The News a complete roster of their customers.

For his own use, the carrier receives a "Route Book," 4¾ by 6¼ inches, ruled for the subscriber's name and address, and to show the status of his account at all times.¹ After insisting upon the correct entry of name and address, the instructions for the use of the route book continue as follows:

Wherever possible arrange to make your collections weekly. Have every one understand that the loss is yours if you fail to collect; this will help you in your collections.

¹ See Form 17.

Be prompt in your delivery. The News is not a fair weather paper and has no use for fair weather carriers.

Be polite even to those who may be rude and insolent to you. This will enforce a sense of shame upon the offender and often wins him as a friend and customer.

Keep canvassing all the time. If you can only secure a subscription for the Saturday paper, take it, give it good service on Saturday and keep working for a regular subscription, which you are pretty sure to get after a while.

Write plainly, be exact in everything, and remember that System and Success are Twins.

The first of the foregoing extracts from the instructions contains an important argument in favor of the independent carrier system. Many subscribers who would be indifferent, or dishonest, in paying to a man, or to the newspaper directly, will make an effort to be square with a boy.

It is the human nature trait which feels a kind of antagonism to the "rich corporation" and a sense of pity toward a boy trying to earn his living. People are ashamed, as a rule, to "beat" a boy out of a dime, or any other sum. The News, through its system of cash payments from carriers, and bonded salaried employees, has only an infinitesimal loss from bad accounts, and the carriers very little more.

Handling Country Circulation

Because of thirteen interurban lines radiating from Indianapolis, with numerous railroads, it is an especially fine distributing point. Indianapolis, too, is in the heart of the state, making an admirable situation for country distribution in every direction.

The News prints its state, or mail, edition, from five to eight hours after the last regular city evening edition, and so it has practically as late news as the following morning newspapers, reaching towns and rural routes at the same time as the morning competitors.

The assistant in charge of country circulation, as shown

in the chart on page 91, has a distributing machinery that includes traveling men, special salaried agents, agents on commission, and news companies. His territory is all of the state outside the city circulation radius of 20 miles, except rural routes, country publishers with whom The News combines circulation work, and postmasters.

He has salaried messengers on interurban trains to drop bundles at any point, where the subscribers can read the paper the same evening it is published, and this constitutes a special feature of The News service. The Public Service Commission decided that traction employees could not handle the papers, and The News took the action indicated.

At any point where the service to the public might be slighted by an agent or carrier on commission, or where the business is too small to interest anyone on commission, The News places a salaried representative, who has no temptation to consider his own convenience ahead of the subscriber.

Here the idea of service is again in evidence. For example, many subscribers living as far as 50 miles from Indianapolis want The News the day it is published. Although the cost of the special messengers on the interurban cars made this class of circulation unprofitable to The News, the expense was ignored and the subscribers served. At junction or transfer points, the same care is exercised to insure prompt delivery.

The special messenger will throw off single copies or bundles of three, five, ten, or some other number of papers, and the subscribers at that point take turns in getting the bundle and distributing the papers among themselves. At one such point, a dog was trained to go after the bundle, and he knew the arrival time of the car to a minute! This sort of service has created good will for the paper, and an enlarged audience for advertisers, that are worth while.

The traveling men are on salary and devote their time to constructive work and supervision of the agents. They will

visit a town, work up a subscription list, secure an agent to handle it, and keep in touch with him regularly thereafter. Subscribers obtained at any time subsequently by the traveling men are turned over to the local agent without charge, and a considerable part of the traveling men's time is spent in this co-operative work.

The News will not deliver by mail to any point where it has an agent. Thus there is no competition from the main office with the local agent. Agents are instructed to accept from the traveling men only such customers as the agents know will be good business. In towns where the business is not sufficient to interest an agent on commission—4 cents a week per subscriber—special salaried agents are employed.

The relation with the news companies is rather too familiar to need detailed description, involving simply the delivery of papers in bulk at wholesale prices as in other cities, the companies having their own agents and distributors.

The reports required of state agents, of special salaried representatives, and of any others who handle The News, have spaces in which must be noted daily the state of the weather and temperature; the time papers were due to arrive and when they actually arrived; at which points delivery failed and why; the subscribers secured, complaints investigated, stops run down, and other information that enables the manager of country circulation to know the whole situation in detail each day.¹

The traveling men make collections from such agents as fail to pay their bills by the tenth of the month, take up papers, and substitute for agents when they are sick or disabled. The agents are allowed only 5 per cent "returns," but newsdealers are allowed 15 per cent.

The News as a rule has exclusive agents, but when one agent handles The News and other Indianapolis papers, he is

¹ See Forms 26-30.

required to make a report covering his business with all papers. This report shows how the papers are disposed of, whether through carriers, newsboys, or news-stands, and also shows the number of unsold copies.

The country agents, in towns and cities where the circulation warrants it, have their own carrier forces, who are subject to the agents, though substantially the same discipline is enforced among them by the agents as obtains in the city of Indianapolis. Each Indiana town and city, thus, is a miniature organization and replica of the main office.

Handling Rural Circulation

The assistant in charge of rural circulation directs the solicitors who devote their time exclusively to building circulation on rural routes; the postmaster agents; and the publishers of country papers which club with *The News*. He also supervises the subscribers who receive the paper by mail direct from the main office.

This is the only branch of the service in which inducements, or premiums, are used by *The News*. These consist of a good farm paper, the choice of several national magazines, parcel-post maps, anatomical charts, knife sets, tool sets, pocket knives, etc.

By carrier or town agent, *The News* is \$5 a year. By mail, on rural routes, however, the price is only \$3 a year. The mail subscribers receive the state edition, which is printed from five to eight hours after the last evening edition, and it reaches them the following morning by rural delivery.

Subscriptions are accepted for any period. A special offer of 100 days for \$1 is made, but *The News* urges three, six, nine, or twelve months' subscriptions.

Instructions to Solicitors

A brief résumé of the instructions issued in loose-leaf form to the solicitors will show the sales policies of The News:¹

1. Solicitors are expected to follow uniform methods of selling prescribed in the instructions.

2. There are three requisites. Know your business. Be self-reliant, tactful, and enthusiastic. Close your canvass so as to leave a good impression even if no order is given.

3. The policy of The News is independent, clean in news, a paper to be proud of.

4. Exercise your ingenuity in developing new ideas for getting business. Ideas move the world.

5. Make suggestions to the manager and don't be discouraged if they are not acted upon.

6. Shoulder your own mistakes. Take time to read all letters and circulars you receive. Have faith in yourself. Give the impression always that business is good. Take no pessimistic advice about conditions anywhere, but investigate for yourself.

7. Do not fail to study The News thoroughly every day. A solicitor must be so familiar with it that he can induce others to desire it by his enthusiastic selling talk.

8. Pay strict attention to complaints and report in detail to the office.

9. Learn what your competitors are doing. Get their subscribers only by legitimate means.

10. Write letters to us daily, giving detailed account of conditions on routes you visit. Acknowledge receipt of all communications from us and give advance notice of your itinerary.

11. Never lose your temper. Be on pleasant terms with everyone so they will be glad to see you again.

12. Ascertain if postmasters and rural carriers are friendly to The News. If not, and you fail to straighten out the trouble, notify us.

13. If strangers object to paying you money, ask them to make check payable to The News, or make arrangements in advance for local identification.

14. Keep posted on our subscription offers and adhere to them to the letter. Use sample copies judiciously.

¹ See Form 39 for complete instructions.

15. Don't pay more than \$1.50 a day for livery hire, and take good care of your horse, summer or winter.

16. Stick to the truth. Farmers as a rule know what is going on. Invite comparison of The News with other papers.

17. Cater to the women, who in many instances decide what reading matter comes into the home. Women read newspapers.

18. Convince the pessimist, the "no rain" and "crop failure" farmers, that they need The News regardless of conditions. In lean times the advertisements will help them to buy economically.

19. Extend credit to farmers with discretion. As a rule they will pay such obligations.

20. Avoid political arguments. If subscribers or prospects are "sore," explain that The News is independent of all parties, and has no axes to grind. It is for all the people.

21. The market reports in The News are the best and latest obtainable. Never permit a statement to the contrary to go unchallenged.

22. Our state edition is the best newspaper we print and its news is as "late" as the morning papers.

23. Our sport page is the most complete published in Indianapolis, and the state edition contains all the results of the day before.

24. If people complain of our type, explain that we use the regular newspaper size, but set it more solid than other papers, because we find that most people prefer more news in smaller type, to less news in larger type.

25. The News has one of the finest mechanical plants; its staff of reporters in city, state, and nation is extensive; it receives the telegraphic service of the leading associations; it has a brilliant corps of special writers on governmental affairs and all other phases of life worth while. An index on the first page helps the busy reader.

26. The News averages about three pages of "want" ads daily, and these are great circulation builders. Boost them at every opportunity.

27. Advertisements are a benefit to subscribers, but we do not allow them to encroach on reading matter. The News runs from 18 to 32 pages, but the news space is kept up proportionately with the advertising space.

28. The man who takes a local paper also needs The News

to keep abreast of world events. We print a newspaper for all the people, not for people of a certain locality.

The above bare outline hardly does justice to the virile selling spirit that pervades the full code. It will serve, however, to indicate the trend of thought in the organization. The admonition to take good care of the horse, in rule 15, is proof both of the practical experience that inspired the instructions, as well as evidence of a big vision in business.

By outlining selling talk and methods, Mr. Schmid succeeds in taking average solicitors and training them to work along lines of proved efficiency, and so gets results that only star salesmen are supposed to produce.

If the sales, or circulation, manager has the ability to impress his ideas upon a soliciting force, and these ideas are sound, \$20 to \$30 a week will attract men of high enough caliber to achieve gratifying results.

The Benefit Association

Another factor in the success of The News has been "The Indianapolis News Benefit Association." Any employee may become a member, and its constitution and by-laws make it a self-governing body. The initiation fee is 50 cents, with a sick and accident benefit plan divided into the following four classes:

- Class A. Members paying 5 cents a week shall receive \$3 a week.
- Class B. Members paying 10 cents a week shall receive \$6 a week.
- Class C. Members paying 15 cents a week shall receive \$9 a week.
- Class D. Members paying 20 cents a week shall receive \$12 a week.

Other provisions are to the effect that not more than eight consecutive weeks' benefits will be paid to any one member, nor more than ten weeks in any fiscal year. A physician must give an indorsement of the claim.

Members withdrawing have no claim upon the Association for dues paid, except that any accumulated dividends above the amount required to run the Association shall be distributed pro rata. Surplus funds are distributed as dividends every year.¹

Reason for The News' Success

The News circulation department is an interesting example of a sales organization which depends almost entirely upon straight selling policies. Contests are not employed, premiums are used sparingly and only on rural routes, and in the last eight years the city of Indianapolis has not once been covered by a regular corps of solicitors.

By turning out an excellent news product, by getting the maximum efficiency out of carriers, agents, solicitors, traveling men, district managers, and all other department employees, the circulation has been made to grow conspicuously, yet healthily, and competition has not been able to dislodge The News from its preeminent position.

Unquestionably, as Mr. Schmid says, the quality of The News as a newspaper is largely responsible for this success, but other good newspapers have not attained the circulation of The News, and a thoroughly organized, capably managed circulation department is entitled to a large share of the credit.

A good newspaper + efficient circulation management = Success.

¹ For full text of constitution and by-laws see Form 37.

CHAPTER IX

CITY CIRCULATION

Delivery Systems

Broadly speaking, there are two systems of delivering newspapers to the consumer in the cities of America. They are the carrier system, and the newsdealer-and-newsboy system. In most cities, it is true, the two systems are blended in practice, but the distinction is drawn by the preponderance thrown to one or the other. Philadelphia and New York are typical examples.

In Philadelphia the great bulk of newspaper products is delivered by the carrier system direct to the subscribers' homes. At the same time there are considerable street and news-stand sales. On the other hand, in New York most readers buy their papers from newsboys or newsdealers and no carrier system exists. The difference in population is the principal factor, but not the only one.

As a general rule, where people have to spend from thirty minutes to an hour and a half in getting to, and returning from, work, as they do in New York, the necessity of economizing on time develops the habit of reading papers en route. In cities where homes are reached more quickly, and where there is more real home life, people prefer to read papers in comfort there.

Chicago and Boston present the two systems more evenly balanced than the two cities mentioned above. Each of these cities has an extensive suburban population which spends much time on trains and rapid transit cars, and yet each has a large home delivery.

In New York the home delivery of morning papers is proportionately larger than that of the evening editions; and the evening editions are planned to coincide with this habit of readers, for they reach the maximum of size and news interest between noon and 4 o'clock, so that workers emerging from office and factory and store find the best editions of the day awaiting them. The stress and strain here comes in covering a wide metropolitan, or rather a long metropolitan district (for Manhattan Island is long and narrow) as quickly as subway, automobiles, and wagons can move.

The Philadelphia System

Taking up the Philadelphia carrier system, an interesting development of the method is found. The morning papers have more than 225 routes, carefully mapped in each circulation office. By acting co-operatively, the papers have reduced delivery to a fine point, with no ruinous competition or friction at any angle.

Because the route owners earn on an average of \$30 a week, they are high-class men and responsible in every sense, assuring excellent service to subscribers. The papers make monthly settlements of accounts with the route owners. Routes may be sold or exchanged with the consent of the papers—a provision that guarantees character and capacity in the route owners.

No other city presents a more harmonious arrangement, nor one which is so economical. The route owners have an association which further contributes to the stability of the system and the efficiency of the service. This system leaves the papers free to compete for business, for while they have a common delivery service, the route owners are strictly neutral. Only the proverbial "go-it-alone" policy of Americans prevents other cities from adopting a similar plan.

The evening newspapers in Philadelphia have a plan prac-

tically similar to the one used by The Indianapolis News. That is, they deliver their papers in bulk to certain districts, where the carriers for the respective districts assemble to obtain their copies. The evening papers require daily cash settlements from the carriers, as distinguished from the monthly settlements required by the morning papers.

Home Delivery Systems

The difference between home delivery in Philadelphia and home delivery in New York is that a monopoly of a certain route or district is granted in Philadelphia, while in New York rival newsdealers deliver indiscriminately to customers in the same street or block. The four corners of a New York street intersection may have four dealers who are competing in the same district.

As might be inferred, the machinery of distribution to dealers is much more complicated and elaborate than the delivery to route owners or carrier stations in Philadelphia. The preponderance of transient sales to readers over home delivery accounts for the New York situation. The sales through newsboys, likewise, is unprecedentedly large. Newsdealers make deliveries to homes in their neighborhoods, but never deliver their papers at a distance of more than a block or two from their stands.

When we get into other cities, the carrier system is dominant, for street sales are a small percentage of the total distribution. The carriers are generally on a 40 per cent commission basis, except in the South, and circulation managers spend considerable time arguing the merits of the wage and commission methods of payment for delivery. It is not practicable to lay down a hard and fast rule favoring either plan, but the independent, or commission, plan — that is, to make the carrier's pay depend upon the number of subscribers he serves at 4 cents per subscriber — is in widest use.

St. Paul Carrier System

In St. Paul, The Pioneer Press and Dispatch own their routes, of which there are more than 200. Carriers are required to give bond and to deposit a sum sufficient to cover two weeks' supply of papers. Then they must pay monthly in advance for the estimated number of papers they will need, and are allowed 4 cents' profit a week on each subscriber. Collections are made by the carriers, which accounts for the provisions to safeguard the papers, but the regulations seem rather exacting.

Portland (Ore.) Carrier System

The Portland Oregonian has a somewhat similar organization, as it owns its own routes. The city is divided into districts, with the middle of the street as boundaries. Its carriers make from \$34 to \$90 a month, and the circulation department has a long waiting list of boys and young men (including many high-school students) eager to do the work.

A feature of this paper's policy is the discouragement it throws on any efforts of the carriers to form an association, or union, the idea being that such organizations tend to make discipline difficult and to prevent the paper from dominating the situation. While The Oregonian circulation department is eminently successful, this policy cannot be recommended, and the manner in which papers like The Indianapolis News have organized the carriers and secured all the benefits of united effort without sacrificing control, proves that The Oregonian's fear is unfounded.

Carrier Service

The child labor laws of many states make an exception of carrying papers in their prohibitions of work for minors under the ages of 14 or 16 years. In its nature this is not exacting work, and it has many beneficial features for the boy. It does

not interfere with his schooling, and uses part of his leisure time in outdoor work which is both healthful and profitable, and which also has certain business-training possibilities not to be ignored.

The digest of instructions to carriers by The Indianapolis News, given on page 97, is typical of most circulation departments. In Chapter XI, "Esprit de Corps of the Circulation Department," the various ways of gingering the force, inducing team-work and intelligent salesmanship, are reviewed; but a few ways in which they are utilized to give good service to the subscribers and perform essential duties for the paper will be noted here.

Reportorial Value of the Carrier Force

A newspaper with from 36 to 1,600 carriers has, potentially, a great news-gathering staff. Coming as they do in contact with every nook and corner of the city, they should pick up much neighborhood gossip and occasionally strike the trail of a big story. But the nose for news usually must be cultivated in them. The average person, child or adult lacks this faculty of recognizing news when it is seen. A talk on this subject, preferably from the city or managing editor, will be effective in educating the carriers to look for news, but their interest must not be dampened by leading them to expect that all they report will get into print.

The problem is to keep them interested enough to report everything and then not be disappointed when the city editor fails to use the story. They should be told what the paper's policy is as regards personals, society news, deaths, births, marriages, fires, burglaries, and so on. Small dailies with from 30 to 75 carriers usually print everything of this kind, but the larger ones have more news than can be printed and must cull the offerings. Some papers recruit excellent reporters from the carrier force.

Carrier Force as an Aid to Advertising Department

The advertising department can utilize the carrier force in building up the want and classified columns. Saturday mornings when the boys are collecting, or after supper when they are soliciting, it is easy for them to ask the housekeeper, or owner, if a cook is not needed and then give a brief sales talk on the utility of the classified columns. A percentage for all such business obtained will enlist the services of the boys, and if the right kind of loyalty is in evidence, the boys will be glad to boost the paper by gratuitous work of this kind.

Thus it is possible for all departments of a paper — editorial, advertising, and circulation — to use the carrier force. In the better managed offices this has been done for a long time.

Securing Maximum Results from the Carrier

Circulation managers here and there obtain the maximum sales efficiency from carriers, but in the average department this is an undeveloped field. One good practice is to give the carriers sheets on which to put the number of houses to which they do not deliver, and then samples can be sent, preferably by extra boys, and solicitors can follow. Or, the carrier himself can do all of this work under intelligent direction. After 6 P. M. is a good soliciting time, as people are then at home. A clean, boyish face almost invariably gets a cordial reception.

Street Sales Competition

Where street sales competition is keen, it is a common practice to place paid newsboys on certain corners. Sometimes these are "Huskies" or overgrown boys with great lung capacity and the ability to hold the corner in a fist fight. It is to be hoped, however, that this sort of rowdiness which has characterized Cleveland newspaper competition will not be repeated in any other American city. The day of the "rough-neck" carrier has gone, with the rough-neck baseball player.

Handling New Subscribers

The time to start right begins with the delivery of the first paper. The carrier usually is required to obtain the new subscriber's signature showing the delivery of the first paper. This gives the carrier a favorable opportunity to discuss in a tactful way the question of payments, when it will be most convenient to call, and incidentally to drop the hint that the carrier, and not the paper, loses when an account is not paid. The carrier will ascertain, too, where the subscriber wishes the paper left each day.

Complaints from Subscribers

Complaints about delivery need the most careful attention of the circulation manager or his assistants. In the first place, the subscriber must get good service at any cost and exertion, and in the second place, the carrier must get a square deal. Carriers should be advised to report any complaints that the subscribers expect to make to the paper, so that the circulation manager may have both sides. But the carrier should know that the subscriber has the right of way, for he puts up the money for the pay-roll!

The telephone is one of the most important points in a circulation department. Here a most tactful person should be in charge so that this contact of the paper with the public will be pleasing. Business can be attracted, or repelled, by the voice over the telephone, and complaints, no matter how unreasonable, must be settled to the subscriber's satisfaction.

If the carrier has failed to leave the paper, a special messenger should be on hand to deliver it within a few minutes. The sooner the door bell at the home of the irate subscriber rings the announcement that the paper is delivered, the better for the paper. The reaction in the subscriber's mind after a particularly quick piece of complaint service, is valuable adver-

tising, for under such circumstances people usually comment to friends upon the prompt action.

It has been discovered that the practice of allowing carriers to sell papers while delivering to subscribers causes some complaints, for the temptation to sell a paper and skip a subscriber occasionally overcomes the boy. The practice is not compatible with the best service to regular subscribers.

The Toronto News places \$25 to the credit of every carrier and 5 cents is deducted for every complaint that is made about him. At the end of six months he is given the balance. This naturally stimulates him to render as nearly faultless service as possible.

Character of Service Rendered

The customers of newspapers are really an easy-going lot as compared with the delivery service they demand from every other producer or distributor. The grocery or laundry boy must deliver into the house, while the carrier boy drops the paper on the edge of the lawn or throws it to the front porch. When it rains, or in cold weather, subscribers truly "stand a lot" from the newspapers on this point of delivery service.

Wide-awake circulation managers more and more are insisting on individual service in the matter of delivery. The carriers must ascertain how each subscriber wants the paper delivered, and then deliver it that way. They are not allowed to roll the paper, as most carriers do to throw it; they must see that it is placed where the rain will not get it wet; in short, the newspaper must be delivered in perfect condition to the place most convenient to the subscriber.

Carrier Collections

If carriers are paid weekly wages, they handle the paper's money; whereas, if they are on commission, they handle their

own money. Hence the advantage of the independent, or commission, system. The carrier must take care of the paper's interests in order to take care of his own.

The number of dimes that are collected every Saturday for newspapers, in the United States, will run into the millions. Right here it is important to point out that 40 cents a month is not 10 cents a week. A good many papers have found out this difference, for the former yields \$4.80 a year while the latter yields \$5.20. This difference of 40 cents a year on several thousand accounts is a big item.

Ten cents a week is more easily collected than 50 cents a month. The carrier, directed by the circulation manager, can educate the subscriber to have the dime ready. Most offices make 40 cents the limit of credit, and on this point, Al. A. Kemper, circulation manager of The Richmond (Ind.) Palladium, says:

"The only suggestion I have given our carriers regarding collections is that it is poor business to give anybody more than a month's credit, and that if the subscriber has not paid his bill by the end of that time, to stop his paper, at the same time notifying the competitive carrier and advising him not to serve the subscriber until he has made a settlement."

Further testimony on handling the "dead-beat" is given by Sidney D. Long, circulation manager of The Wichita (Kan.) Eagle, in these words:

"It sometimes becomes necessary to have a good, stout, hearty man with a good, clear countenance and a firm look and heavy voice go with the carrier two or three Saturdays and appear at the door with the carrier. Explain to the delinquent that the debt is due the carrier. The carrier has already paid the office. The account should and must be paid. Using a few chosen, persuasive words, showing the subscriber the office is right back of the carrier, not only brings the money then but regularly as a rule in the future. This also strengthens the

carrier's faith in the office and at the same time shows him how to do it."

System in Collecting

A great many papers use collection cards which are for one year, and show every Saturday, or collection day, in the various months. The cards are left with the subscribers and the carrier punches them as collections are made. This does away with writing a receipt each time and the subscriber knows at a glance how his account stands. The one used by The Indianapolis News is reproduced in Form 16.

The testimony of successful managers is to the effect that systematic, regular calls upon the subscribers produce the maximum collections. The carrier who is out upon his route by 7 A. M. Saturdays, and who is back at the subscriber's door during the week if collections were not made at the regular time, will have the smallest percentage of losses from bad accounts. A circulation manager, having placed the carriers upon a commission basis where they shoulder the losses, cannot then forget the collections. Unless the carriers are receiving the sympathetic co-operation of the circulation manager, they will soon get so involved that they will have to quit the work, and the subscribers will very likely feel "sore" at the paper because of the untactful collection methods.

Full-grown men need a lot of coaching on this kind of work, and boys need it even more than they. A subscriber can be lost by inefficient, untactful handling of his account as quickly, and more permanently, than by poor delivery service. Where money is involved, the utmost care should be exercised.

Bonus System for Carrier Collections

As a means of stimulating the carriers to more efficient collection methods, The Toronto News circulation department has a scale of bonuses for collections from any route or district.

The circulation manager having established a standard of collections, gives the carrier a bonus for exceeding this standard. Thus, if the carrier collects:

80%, he receives a bonus of 1%

86%, he receives a bonus of 2%

92%, he receives a bonus of 3%

96%, he receives a bonus of 4%

Here we have proof that the "efficiency movement" has reached circulation management. Managers now are experimenting with the various plans of pay and bonuses for good work successfully tried by manufacturers and have shown them to be applicable to circulation methods. The circulation manager is, therefore, not only a sales manager who should read books on salesmanship, but he is also a credit man and will find books on credits helpful.

Eliminating the Dead-Beat

Where all the papers in a city will unite in the plan, a paid-in-advance policy will eliminate the dead-beats. Laundries generally have gotten together and require cash payments, and there are no good reasons why more cities should not present the same plan among newspapers. When circulation managers realize that the opportunities to compete are not lessened by certain agreements on fundamental policies, better conditions for the weak as well as for the strong papers will follow. Some publishers still think that bad-pay circulation is better than no circulation, but the Audit Bureau of Circulations is telling advertisers what percentage of a paper's subscribers is in arrears, and better credit standards are assured.

Liability of Subscribers

The Columbus (Ohio) Telegram sued a subscriber for \$2.35, and the court held that the subscriber must pay the account

because he had accepted the paper. The court ruled that what a person receives and uses he is bound to pay for. This is interesting as establishing the status in law of this type of delinquent subscribers, but both newspapers and periodicals are entirely too officious and aggressive in foisting a publication upon unwilling customers, after the expiration of a subscription. Nearly every person has had an unpleasant experience in settling a dispute for a paper or periodical sent after the expiration of the original time paid for. Where the customer gives notice, either in writing or verbally, to the paper's carrier or representative, he should be absolved from further responsibility if the paper is continued.

Handling Stop Orders

On this point, R. S. Craft, circulation manager of The Jackson (Mich.) Citizen-Press, issues this rule to carriers:

"Carriers should not accept any stops from subscribers. Tell them to report them to the office."

This is a satisfactory method of handling stops, and is best for the paper because it gives the circulation department a chance to investigate the reason. The Indianapolis News has a stop record form which carriers must fill out to show which of the following reasons were given by the subscriber for cancelling the order:

Taking Sun	Can't afford
Taking Star	Sickness in family
Changed carriers	No reason given
Out of city	Poor service
Moved	Late delivery
Out of work	Don't like The News
Poor pay	No time to read

Every morning the circulation manager gets a report showing the stops in every district, and the reasons therefor as

indicated. The reasons given by the carriers are then verified by the district men, who endeavor to win back the subscriber, and who make four successive calls before giving up. Records are kept of these calls, and several months afterward the effort is renewed. Frequently the trouble can be straightened out by the district man, and the subscriber be retained.

Circulation Department and the Subscriber

There are four general ways in which the circulation department comes into contact with the subscriber: first, when he begins taking the paper; second, when he complains of the service; third, when he pays for the paper; fourth, when he gives a stop order.

The circulation department oversees all these four main relations with the subscriber. It verifies an order to leave the paper, it investigates complaints, it keeps an eye on the collections, and it investigates the reason for stopping the paper. Because these matters require supervision by a mature mind, a paper cannot afford to leave them entirely in the hands of the carriers.

CHAPTER X

SUBURBAN AND RURAL CIRCULATION

Advertising Value of Suburban and Rural Circulation

Of what value is it to a newspaper to have circulation in other towns and cities, and in the rural districts?

Recently, this question has become uppermost in the minds of both advertisers and publishers, with the result, as remarked in a previous chapter, that newspapers now are seeking to know their natural circulation territory, and to avoid circulation extraneous to it.

The following table shows the suburban and rural distribution of The Indianapolis News for the year 1914:

30-mile limit	11,984
40-mile limit	19,841
50-mile limit	27,109
75-mile limit	41,060
100 miles and over	54,802

Rural Circulation vs. Urban Advertisers

The total circulation of The News was 105,585, divided about 52 per cent to the suburbs and country, and 48 per cent within the city of Indianapolis. This out-of-town circulation of The News was decidedly worth while, both to the paper and to the advertisers, because of the easy accessibility of the city to the distant readers. Thirteen interurban electric railways and numerous trunk line railroads afford quick and frequent service to and from Indianapolis.

The foregoing table shows that 41,060 subscribers out of

the whole number of 54,802, or nearly 80 per cent, are within 75 miles of Indianapolis stores. This is not more than a two-hour trip, and means that the subscriber can leave home at 7 o'clock, be in Indianapolis at 9 o'clock, shop until 3 o'clock and be back home at 5 o'clock, in time to prepare supper. As stated in a previous chapter, the advertisers in Indianapolis write their advertisements a day ahead to allow for this trade.

Not every large city is so centrally located and easily accessible as Indianapolis, yet nearly every newspaper is seeking circulation in remote towns and rural districts. They do this in order to get a volume of circulation with which to dazzle the advertiser, and in the past the local advertiser, though interested only in the retail trading radius, has paid as much for this circulation as for the home delivery.

Determining the Retail Trading Radius

But with the increased interest advertisers are taking in the distribution of a newspaper's circulation, emphasis is being placed upon the retail trading radius, which is larger for some cities than for others, though rather nearer 30 miles on an average, than 75 miles, as with The Indianapolis News. The Audit Bureau of Circulations finds that one of its most difficult tasks is to establish the limits of the retail trading radius.

If train schedules, distance, and other factors make it impossible for country readers to take advantage of the daily offerings of the local advertisers, such circulations are 90 per cent useless. They have some value, however, because several times a year at least, the country readers will visit the city that is their natural metropolis, and the local advertisers will derive a benefit from the steady publicity. Again, large stores once or twice a year put on a sale that attracts these distant readers, and it is valuable to the advertisers to be able to reach them on these occasions.

In many cities the stores will refund the fares of out-of-

town customers, and this is a direct hint to the newspapers to go after the subscription of every person who can or may take advantage of this shopping inducement. The rural free delivery routes are a good index of the natural circulation channels a paper may follow. Along each railroad or interurban road or pike, the same is true. But, with circulation a loss, because of the cost of white paper and the refusal of advertisers to be interested longer in remote subscribers, the tendency will be more and more to concentrate in the natural retail trading radius of each city.

Circulation Outside the Retail Radius

To illustrate the kind of circulation that is of no transient value to local advertisers in the large city papers, the accompanying diagram may be employed:

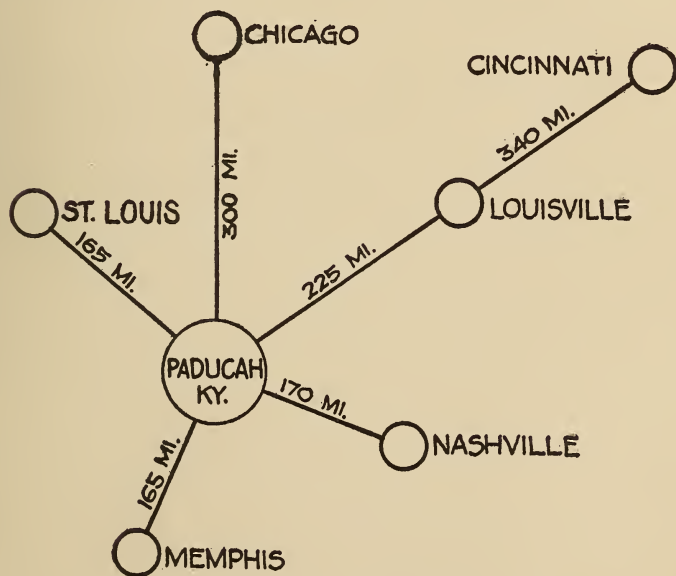


Chart 3. *Circulation Outside Retail Radius*

Newspapers in each of these cities seek and have circulation in Paducah, Ky., yet no one in Paducah can take advantage of the department store or other local advertising in these papers unless there is held a semiannual sale, or unless orders are sent by mail. Yet Paducah people want to read these metropolitan papers and on Sunday do read them to an amazing extent. In the rural districts where delivery is by mail the subscribers customarily get their city papers cheaper than the people in the cities of publication, because mail rates are lower than by carrier. If advertisers grow less and less inclined to pay for this sort of circulation, or at the most will pay only a fraction of what they are willing to pay for circulation within the retail trading radius, the newspapers either must drop the business, or get more circulation revenue from it. They are actually doing both, and will more and more decline to accept remote circulation, or to pay a large promotion expense to obtain it.

Foreign advertisers derive some benefit from this widespread circulation if such advertisers have a close national distribution of their goods, yet they may find it advisable to use also the local papers, and thus they are duplicating circulation. Hence, foreign advertisers are even more interested in circulation within a newspaper's natural territory. They will use papers strong in their respective fields. For example, Royal Baking Powder could not count the Paducah circulation of *The Cincinnati Enquirer* of any special value, because Royal will certainly use the local papers there. It will, therefore, prefer to buy Paducah circulation without duplication.

The whole point in this discussion is not that newspapers should refuse to sell to distant customers, but that they should cease to go after such business except on subscription terms that will make the subscriber profitable as a subscriber without regard to advertising revenue. The members of the advertising department usually will be able to give expert advice on

whether such circulation is profitable from the advertising standpoint, for they are the salesmen of circulation, and if they can sell remote circulation as profitably as home-delivered circulation, the question is answered.

In the meantime, straws show which way the wind is blowing, and the circulation manager with a good weather eye will steer for the haven of concentrated circulation just as close to his swivel chair as it can be obtained.

Handling Suburban Circulation

Owing to the many chances of a slip, the work of handling suburban circulation is more exacting than the city delivery. A system of substitute agents must be worked out, or the paper's traveling representatives must be able to take hold anywhere on brief notice, in order to give satisfactory service. Sometimes it is necessary to put an agent on a salary to insure this.

Many circulation managers now are applying the same methods in stimulating the carrier boys in these surrounding towns that have proved effective in the home city. Contests are started among them with gratifying results in new business and increased efficiency. The Jackson (Mich.) Citizen Press offered a \$40 bicycle to the carrier in two of its suburban towns who obtained the most new subscribers in a month. The winner sent in 27 subscriptions and a total of 93 new subscribers was added in these two towns as a result of the contest.

The usual method of building this sort of circulation is for the paper's salaried representative to enter a town, spend a week or any period in soliciting, find a boy who can handle the new business and appoint him agent, show him how to handle collections, complaints, stops, and give him a stimulus to get new business. Then the representative keeps in touch with the town until the agency is on an assured basis. Pre-

miums frequently are used in this missionary work, or combinations with the local paper.

Rural Circulation

Mail subscriptions are profitable business if the subscription price is right, because they are easily handled at the home office. The postage rate of one cent a pound makes delivery charges the lowest of any kind of distribution.

Where there is a carrier delivery, or agent, in a town, the paper will not deliver by mail, although mail subscriptions often are two dollars or more under the price by carrier. That is, a \$3 paper by mail is usually \$5 by carrier. Mail business goes to rural routes and to towns where there are no agents.

Solicitors have found it necessary to accommodate payments to the seasons when farmers have money, and so the practice of taking promissory notes has grown up. It is really a good one because the average farmer is good for his signature to a piece of paper. A note is better than credit. It puts the obligation in tangible form to stare the obligor in the face until it is paid.

Rural Subscription Schemes

Rural circulation is obtained by personal solicitation, or by circularizing, and premiums are almost universally used. Farmers seem interested in premiums, and the papers would rather give a premium than cut the price outright. Combinations with farm journals, and with women's publications, prove effective, because the farmer's wife is a big factor in determining what shall come into the home.

The Salt Lake City Telegram has a plan of giving the fourth month free if the subscriber pays for the first three months. This is an attractive scheme as it puts the bait ahead. To give the first month free would not be nearly so effective.

Renewals should always be worked vigorously by mail, with

and without premiums, before personal solicitation starts. The Louisville Herald, and many papers, have a bargain day, when the price is cut from 25 to 40 per cent, and many thousands of orders are received. One advantage is that it makes expirations come at one time. October is a good month for a bargain day.

The Minneapolis News had a highly successful rural campaign for subscriptions by starting a contest among farmers with two new tractor engines as prizes. The News advertised the contest in the farm papers and so enlisted many non-readers. These engines were newly on the market and the farmers responded tremendously.

The Rural Solicitor

Rural solicitors now have abandoned the horse and buggy for the motor cycle and automobile, if the roads will permit the change. A paper in one of the smaller cities maintains a solicitor all the year round on a salary of \$25 a week, and he has his own automobile. Premiums costing as high as 33 cents each have been used, but 25 cents is the usual cost. The selling expense for premium and solicitor does not exceed 35 per cent of the \$3 mail price.

When solicitors are on commission, The Indianapolis News allows about 25 per cent. Ordinary agents are allowed 16 per cent, that is, the agent buys the paper for \$2.50 and sells it for \$3. If The News offers a combination with a national magazine, the agent gets the offer for \$2.65 and sells it for \$3, thus receiving 15 cents less commission as The News charges him part of the cost of the premium. This makes it more profitable to the agent to get business without a premium.

The principle of the premium is to give part of the commission to the subscriber in the form of a premium. The solicitor will try to make a straight sale on which his com-

mission is largest. Failing here, instead of cutting the price, he offers an inducement in the form of a premium, or combination with another periodical. He has really shared his commission with the subscriber. The paper, too, has made a concession in its profits.

If a knife set costs at wholesale 25 cents, and the agent's commission is 35 cents, the total selling cost is 60 cents, which is only 20 per cent of \$3. A paper which can get new business at a selling cost of not over 20 per cent is doing well and cannot complain.

From this minimum selling expense, papers go as high as 50 per cent. Efficiently managed papers like The Portland Oregonian keep the selling expense around 35 per cent and even less. Selling cost includes more than solicitor's commissions and premiums. It may include livery hire or hotel bills, for instance.

Meeting the Farmer's Needs

Practically all newspapers now have special departments devoted to the interests of the farmers. Helpful articles on farm management are printed daily, and the paper consequently has a special as well as a general interest for rural readers. When, as is often the case, 50 per cent of a paper's subscribers live out of the city of publication, the news policy must naturally and necessarily conform to the particular needs of these rural readers.

The farmer used to be a man with little time to read anything. The advent of scientific farming, the diffusion of this knowledge, and the growth of marketing associations, make it imperative for him to keep abreast of the daily news. Newspapers have stimulated this increased efficiency as well as profited by it in enlarged circulations. Advertisers, too, are reaping the benefit of the conversion of the rural resident into a more frequent customer.

Handling the State Edition

When a train schedule has to be made, the circulation manager drops the "I should worry" feeling and gets strictly on the *qui vive*. The managing editor may be holding the edition to get in an important story, and the minute hand of the clock tells the circulation manager that he will have only three minutes to make the mail, eight blocks away.

He makes it and wipes the perspiration from his brow, closes his desk, and is happy until precisely the same time the next day. Perhaps the organization is big enough for him to shift this worry to an assistant, but somebody has it all the time.

Inasmuch as railroads ordinarily will not revise their schedules to suit the convenience of newspapers, the editions have to be planned with reference to the schedules. This has developed the practice of predating editions, that is, changing the date line on the last evening edition and dating it the following morning; or, if a morning paper, the mail is made by printing an early edition, with only a few hours' more news than the last evening editions.

The Memphis Commercial-Appeal runs several special trains to handle its country circulation, down into Mississippi, up into Tennessee, and across into Arkansas. The first one is popularly known as "Old Miss," and the Tennessee mail is handled on a train entitled "Whiskey Dick," because, this being prohibition territory, the train carries much liquor by express to the thirsty inlanders.

The Louisville Courier-Journal ran an automobile delivery through the Bluegrass section of Kentucky to serve the people of that section before the train mails could reach them. The Indianapolis News has salaried agents at junction points to see to it that the bundles are transferred from train to train without fail. Many examples of this sort of enterprise could be cited.

Local Distributions of State Edition

After the papers reach their destinations, they are caught up quickly by the local agents, and carriers soon have them on the lawns of subscribers. Sometimes each paper will have a different agent, but often one man or boy represents all foreign papers. Reverting to Paducah, Ky., again, a typical example, the St. Louis, Chicago, Memphis, Nashville, Louisville, and Cincinnati papers have one agent, who handles a corps of carriers. The week-day circulation is about one-eighth of the Sunday sales, which require about thirty boys.

The Indianapolis News has separate forms for reports from its own agents, and from agents who also represent other papers.¹ The daily report required from its own agents shows the condition of the weather and the temperature, whether papers are received by mail, express, or traction, and the reason for a delay if one occurs. The bundles received to be transferred to connecting lines, with the time of arrival and departure, also must be reported.

The agent must note the stops and the reasons as given by subscribers. Later a traveling representative will investigate these stops. These traveling representatives also devote their time to soliciting and turn over to the agent without charge all business obtained. The agent himself must report the amount of work he does in soliciting, investigating complaints, and running down stops. Many papers do not exercise so close a supervision over their agents, contenting themselves with writing them letters if sales fall off.

State Edition and Local Papers

The News has a plan of combining its circulation work with the circulation department of the local paper. Under this arrangement, one circulation manager acts for both, and usually is selected by The News. A higher salary is paid

¹ See Forms 28, 30.

him by the combination than either would alone. Efforts are specialized on obtaining club orders; and a cut in price, if both papers are ordered, is made that makes the combination attractive. The argument is: "Take the home paper for local news and The Indianapolis News for state and general news."

The benefits of this system as enumerated by John M. Schmid, in an article in *The Fourth Estate*, are reprinted in parallel columns, showing the advantage to *The News* in the first column and to the local paper in the second column:

THE NEWS

1—A larger and better carrier organization.

2—Headquarters with the local newspapers, which provides office help, telephone service, furniture, etc., without cost.

3—It is easier to get business for a good local paper and a state paper at low cost, than for a state paper alone.

4—Premiums and contests are unnecessary, as the combination in itself is a big inducement.

5—The News controls the circulation of both papers, and consequently is able to introduce a better system for handling the circulation than the local paper can, because in most instances the local circulator is a reporter, advertising solicitor, and "maid-of-all-work," as well, and can't do the circulation department justice.

6—As the combination embraces small surrounding towns, therefore the circulator in charge is in constant touch with these places—saving frequent calls by regular traveling men.

7—Rural route circulation is easier to get under this arrangement on account of the low price for both papers. Commission usually paid to solicitors goes to the subscriber.

8—The News gets the benefit of publicity in the local press without cost.

9—"Deadhead" circulation is almost entirely eliminated, excepting to advertisers, employees, and charitable institutions. Every Tom, Dick, and Harry who usually thinks he is entitled to a "free" copy of the local paper must pay for it under this arrangement.

LOCAL PAPER

1—It receives a net revenue for each copy, regardless of returns, losses on collections from carriers or subscribers, or other shrinkage usually incident to the circulation department. It knows positively what it will get for its circulation from week to week.

2—It saves the expense of a circulation man and frequently several boys around the plant who carry bundles or make delivery to newsdealers, etc.

3—It has a direct supervision of everything that goes on, because all business is conducted in its office with a competent man in charge, which is not usually the case when it handles the circulation alone.

4—In all cases where a competent circulator is employed by the local paper, he is put in charge usually at an advanced salary.

5—The system being uniform throughout the State, The News is able to send a substitute circulation man to relieve the regular man, if absent for any reason.

6—All solicitors who canvass for new business, work as hard for the local paper as they do for The News; in fact, they work for a "combination" order first, which is of mutual advantage.

7—The local publisher has nothing to worry about circulation at all. He is relieved of all his troubles in that respect, and as a rule they are many in a small newspaper office.

8—Carriers receive more profit for delivering a "combination" than they do for delivering one paper alone, consequently their efforts are directed to-

10—The combination can be made with any local paper of good standing, regardless of political affiliations or policy.

ward inducing prospective subscribers to take both papers.

9—The local paper receives the advice and counsel of a big organization with a large staff of competent men, and consequently is able to meet stronger local competitors on even ground.

The weekly report which is required of its own agents by The News, in towns where there is no combination with the local paper, shows the distribution by carriers, news-stands, newsboys, and miscellaneous, for each day in the week. Collections are itemized in the same way, and so are expenses. Unsold copies are returned every four or five weeks at the expense of The News and deductions are then made from the agent's bills. In addition to this a daily report on unsold copies is required.

Prestige vs. Expense in Foreign Circulation

Whether it is worth while to have your paper on sale in distant cities where no carrier business is practicable, is a mooted point. The man from Davenport, Iowa, who finds his home paper on sale in Chicago may be impressed favorably, and if this sort of enterprise can be done without great expense it is advisable. It comes down to how much you are willing to spend for the prestige of announcing that your paper is on sale in other cities.

CHAPTER XI

ESPRIT DE CORPS OF THE CIRCULATION DEPARTMENT

Circulation Manager's Preparation for His Work

Circulation managers cannot spend time more profitably than in reading the various books available on sales management. For newspaper circulation is a sales proposition pure and simple, and the principles that underlie a sound sales policy for, say, shoes will with the proper adaptation apply to selling newspapers.

The chief difference between the circulation manager of a newspaper and the sales manager of a manufacturing concern is that the one deals with boys, while the other deals with men. But the psychology of the boy mind is not radically different from the psychology of the man mind.

What stimulates the one to the greatest effort, will stimulate the other — namely, arousing his self-interest by intelligent training and co-operation and adequate rewards for his achievements. The man salesman may want his rewards in cash; the boy may be most interested in a bicycle or a Shetland pony, but the principle is the same.

You may obtain the enthusiastic loyalty of a boy sales-force by a free trip to the circus, and of the man sales-force by a banquet and theater party; yet the same appeal is made to each, with a difference in form only.

Hence, the circulation manager owes it to himself to be abreast of the latest ideas and principles of sales management. There is a wealth of material to draw from. If the circula-

tion manager has his eye on the position of advertising manager, or business manager, he needs a broad knowledge of business economics.

It has been shown conclusively that sales managers do not have to employ high-salaried men exclusively to get results. If the average man is given a scientific training and employed under a system which stimulates his zeal and appeals to his self-interest, he will regularly and at much lower cost produce results which eclipse those of the star salesman.

The lesson for the circulation manager in this is that he need not exhaust himself selecting the highest class solicitors, or carrier boys, provided he is himself so well up on the work that he can develop in the average solicitor or carrier the qualities of a good salesman.

Circulation Manager's Responsibility

You enter some circulation departments and the atmosphere at once repels you. An investigation will show almost invariably that this originates with the circulation manager. He is fretful, easily ruffled and sullen, while his attitude toward subordinates is domineering and not always just or tactful. It is not surprising that the whole force reflects this example. Everyone jostles and irritates his fellow-workers; questions are answered crossly; favors are granted grudgingly. If you follow this far enough you will find it reaching the subscriber, with most harmful consequences for the newspaper.

On the other hand, you enter another office and the atmosphere is in pleasing contrast with that of the one described above. The workers are going about their tasks quietly and efficiently. The circulation manager is busy, but has his work so well in hand that you get a cordial reception and realize that the stress and strain of the other office is gratuitous. There is a feeling of loyalty, of co-operation, of "this is my news-

paper." And if you follow this far enough you will find that it reaches the subscriber, with most beneficial results to the newspaper.

The circulation manager sets the pace and gives the inspiration to the whole department. Therefore, one of his chief qualifications is the ability to obtain results without friction, and to see to it that the contact of the public with the paper through his subordinates is constructive. If the solicitor, or carrier boy, gets a kind word and a square deal in the office, he will meet the prospective or actual subscriber in the same spirit.

There are circulation managers holding important positions and rated as successful who believe that bully-ragging, brow-beating, and merciless driving are the only methods of producing results, but this type is passing in newspaper organizations just as it is in other industrial concerns. The modern watch-words are co-operation, inspiration, enthusiasm, and optimism — and the modern circulation manager reflects them.

Efficiency Through Personal Influence

That many circulation managers are on the right track is proved by the effective schemes employed to reach the maximum sales efficiency. A review of some of these ideas will be profitable.

First of all, the cordial acquaintanceship so essential to any kind of *esprit de corps*, is cultivated by the circulation manager with his entire organization. The ways of doing this include get-together meetings and banquets, at which practical, enthusiastic talks on selling are made, and the spirit of co-operation extolled. Having established his individuality, the circulation manager continues to impress it upon the force in letters, circulars, or monthly bulletins, or through a house organ which is filled with "ginger" talks and examples of efficient work among the employees.

As the organization grows larger, the temptation of the circulation manager to grow away from the rank and file is strong, but such a course usually results in decreased efficiency. A close scrutiny of daily and weekly reports, and regular contact with the men in the field keep the circulation manager in that vital relation to the practical side of the department without which he is likely to become supertheoretical.

The Carrier Problem

An especially commendable feature of some offices is the large, well-appointed room in the building exclusively for the use of the carriers. Here they congregate while waiting for the edition to come off the press, and here also they have evening entertainments and the meetings of their association, if they are permitted one by the circulation manager.

Conduct in this room is regulated by the boys themselves, under the direction of the circulation manager, who is their adviser and unobtrusive king. The manager will see to it that only gentlemanly conduct is tolerated in this room or anywhere about the building. This is because he realizes that unless a sales and delivery force has at least civil instincts, the public will be the chief sufferer and the paper will feel a reflex effect of a highly damaging character.

It is highly important from every viewpoint to cultivate decent proclivities in the whole delivery and sales force. This will create an atmosphere which is sure to secure popular good will for the publication. It will make the best boys want to be with such a paper. A carrier boy who naturally has, or is trained to acquire, a pleasing address, is a big asset.

Recruiting the carrier force is governed by the same principles that regulate the hiring of salesmen in other enterprises. Good boys must be handled carefully, they must be shown the dignity of the work, and the opportunity it affords for valuable business training which will equip them for manhood work.

If the circulation manager cannot see every applicant, he will prescribe explicit instructions for the assistant selecting them.

The boy's home surroundings are to be considered, for if these are good the task of training him will be much easier than if his environment there is loose and possibly unprincipled. A hard and fast rule cannot be observed, inasmuch as many efficient boys have come from undesirable homes, but, generally speaking, good homes produce the best boys.

One of the best assets any newspaper can have is a reputation for good treatment of its news and carrier boys. Good treatment means more than a pleasant smile. It means a square deal to the boy in a dispute with a subscriber, a fair compensation, human contact, and an enlightened consideration of his interests and ambitions with a friendly boost to both. The paper which builds such a reputation will have a waiting list of the best boys, the pick of the field.

Extra Compensation for Carriers

While visits to the circus, theaters, baseball games, annual picnics, trolley rides, and similar entertainment features cannot take the place of fair pay for services performed, they go a long way toward arousing the latent energies and capacities of the boys, and lend color and life to an otherwise drab routine of work. In addition to these features, many circulation managers are experimenting successfully with the efficiency methods in vogue among manufacturing concerns, and are thereby developing salesmanship of a most gratifying quality in the boys who carry their papers.

Extra compensation takes many forms. The St. Louis Post-Dispatch gives an entire edition as a Christmas gift to its carriers. The Indianapolis News gives each of its 1,600 boys an order on any store which advertises in The News for one dollar's worth of merchandise. At New Year's nearly every paper prints a card or folder, usually with a poem, on

the sterling qualities of the newsboy who serves the subscriber in all kinds of weather.

An objection to this last time-honored practice is the fact that it throws the cost of the gift upon the subscriber, whereas the paper should bear the expense entirely. Doubtless most subscribers are glad to invest ten cents or a quarter in the souvenir, particularly if the boy has been agreeable, but the practice is bad in principle because it causes the boy to look to the customer for a gift. In other words, this system of carrier compensation degenerates into the tipping or commission-splitting evil so repugnant to self-respecting Americans, whether young or old.

Efficiency Contests

The love of a contest is by no means confined to the readers of a paper. The solicitors can be stimulated to greater exertions by setting up a standard and offering prizes for reaching or exceeding it. The carriers can be influenced in the same manner. Great industrial concerns with hundreds of salesmen regularly hold efficiency contests, or sales contests among their traveling representatives, and circulation managers are studying these methods to apply them to their own problems.

In Chapter IX it was noted that a bonus of pay was given for collecting certain percentages of accounts of subscribers. A contest may be arranged for the most subscriptions turned in in one day, or one month, or longer periods. The Jackson (Mich.) Citizen Press is a case in point.

R. S. Craft, circulation manager of that publication, early in 1914 began the publication of a monthly bulletin, or house organ, for the carrier force, numbering about 72 boys. It is entitled "The Citizen Press Jr.," and is 8, 12, or more pages monthly, the pages being 6 by 9 inches in size.

A contest was started for the month of October, 1914, with a bicycle as the prize for the carrier bringing in the largest

number of subscriptions during the month. The winner turned in 33 subscriptions. He had his picture (with the bicycle) in the next issue of The Citizen Press Jr., and on the back page of the publication appeared the following breezy, and, to the boys, interesting comment:

Probably the happiest boy between California and Maine is Ernest Birney, that bright, hustling chap who carries route 47 for The Citizen Press, and the reason is simple, for Erney won that fine new Premier Bicycle which The Citizen Press gave to the boy bringing in the largest number of new subscriptions during the month of October.

When it was announced last Saturday night that Erney won the wheel, he just couldn't check that smile which covered his face completely. Erney said: "I have wanted a wheel for a long time, and worked hard every day to win this one, but I thought sure that George Stone or some other boy would beat me out of it."

Ernest is right. He certainly worked hard for that bicycle and every person not a subscriber, living on his route or near his home was asked to subscribe to this paper. And he proved to be a good solicitor, too, for he brought in 33 subscriptions during the month. This is the largest number of new subscribers ever turned in by any one boy in any contest The Citizen Press has had. This will average better than one a day during the contest, which is surely a pretty good record for any boy to hang up.

Ernest's work was far-reaching, too, for he secured subscriptions from all parts of the city.

He carries about 115 papers on his route every day and does most of his collecting Saturday mornings. He comes to the office every night at 7 o'clock and carries any papers that the regular carriers happen to miss. For all this work he makes between \$4 and \$5 a week.

Ernest is one of our very best carriers. He delivers his papers well and his collections are always up to the minute.

He is a real live wire, and The Citizen Press is to be congratulated for having him, and boys like him, delivering its papers.

We wish to congratulate you, Ernest, for your success in landing this fine prize against such competition as only 69 Citizen Press carriers could give.

Unquestionably, here is a circulation manager on the right track. The value of the contest cannot be measured in the number of subscriptions turned in, which, of course, from all the boys was great. The increased interest the boys display from the stimulation of the contest will show for months in better delivery, better collections, and more alertness to the paper's interests.

The House Organ as an Efficiency Medium

A perusal of this same issue of The Citizen Press Jr. will give many interesting and helpful sidelights on handling the carriers. The front page was occupied, as noted, with the picture of the prize-winning carrier. Page 2 contained an announcement that bicycle bells and lamps, retail value \$2.50 and \$3, would be given for new subscriptions as follows:

\$3.00 Carbon Light.....	9 New Subs.
\$2.50 Carbon Light.....	7 New Subs.
Good-Enough Bell	1 New Sub.

Every boy with a wheel needs either a bicycle bell or lamp, or both. \$2.50 and \$3.00 is a lot to spend for a lamp, and not many boys can afford it, but we have solved the problem for you. Get busy today and get that light this week.

Page 3 has the headline "With the Live Wires" and is filled with personals about the different carriers, a few examples being:

William Dredge has shot everyone on Route 51, that is with the new PREMIO that he received for five new subs.

La Duke, on Route 36, has just received a new wireless outfit. Don has taken great interest in this new method of communication, and we wish him all the success in the world.

Herman Scheele, on Route 57, was the first boy to turn in a new subscription on the bicycle contest.

"Chuck" Riley, on Route 38, received a vest pocket

FLASH LIGHT for two new subs. Chuck says they surely come easy.

On Oct. 1st, a three-day contest was started for the sellers. The boy that sold the most papers was to receive a FLASH LIGHT. Max Howland started out with all the PEP he had. He sold 124 papers during the three days. This was thirty more than any other seller disposed of. Of course Max carried away the light. We still claim that Max is some seller.

Scattered over the pages are jokes of peculiar significance to the carriers, as follows:

Birney — Say, O'Connell, did you know that I am a contractor?

O'Connell — How do you figure that?

Birney — Well, I am BUILDING UP the Citizen Press Circulation.

Boys, ask Jack how he came to fall into the flour barrel.

In connection with the sellers', or newsboys', contest noted above, an entertainment celebrating its conclusion was given, and the account of it follows:

Previous to the world's series, the sellers agreed that the Pink Sporting Extra which The Citizen Press was going to issue daily would be the best seller in town, and that it was, therefore, the one to sell. The boys took hold so well and were so enthusiastic over this Pink Extra that we decided that a good-time party was a proper reward.

On Thursday, Oct. 29, The Citizen Press gave the boys a real Hallowe'en party in the carriers' room. The room was decorated with yellow and black streamers and jack o'lanterns. One happy looking jack o'lantern represented a Citizen Press seller because the papers sold so well he always wore a smile. The small sad jack o'lantern represented the boy who sold some other paper and not the C-P. As they wouldn't sell, he couldn't smile. The fellow doing the big business naturally smiles.

During the evening the boys were supplied with all the pop-corn balls, doughnuts, and apples they could eat.

The lucky boys to win prizes in the drawing contests were as follows: Fred Eberhart won a FLASH LIGHT;

Clifford Coloumbe won a BIKE BELL; Albert Barker, Max Howland, and Leo Nelson won jack o'lanterns.

After the games were played, the boys spent the balance of the evening telling conundrums and stories. Pat Cooper also entertained with a song and dance.

We will leave it to the boys if the C-P isn't the best paper to sell all the time.

On the editorial page is the motto "A Square Deal for Every Boy." The first editorial treats of better service in winter. It points out that subscribers expect their papers in clean condition regardless of the weather. There is another editorial on "Politeness," evidently contributed by one of the carriers. The circulation department's watchful care of the boys is shown in an editorial warning them about reckless riding of bicycles at street intersections, and the page is concluded with remarks on "complaints." "Put the paper on the porch where the subscriber can find it at a glance. If the paper is thrown on the ground it is counted as a complaint." This is the right idea of service!

Page 5 has a poem of interest to boys and another premium offer: "WHO WANTS IT? An all-wool worsted Jersey sweater, turtle collar and cuffs; 'Jackson Citizen Press' in wool felt letters sewed across the front. It's a dandy and yours for only 5 new subscriptions. Bring your subscriptions in early and get the sweater at once. You will need it these cool nights."

It should be stated, in connection with the use of the word "subscriptions" that this does not refer to yearly, but to sixteen weeks' subscriptions. Every boy is paid 25 cents for each signed order from a person ordering The Citizen Press for sixteen weeks. In this case, the money is in the form of a handsome sweater.

Page 6 is devoted to the "State Agents." A contest is announced between the carriers of two suburban towns with a bicycle as the prize to the boy who turns in the most sub-

scriptions in one month. There were six carriers in one of these towns and seven in the other. The next monthly issue gave the picture of the winning boy, in the former town. He turned in 27 new subscriptions, while his rival in the other town turned in 24. Altogether the boys in both towns turned in 93 subscriptions.

The winning boy sent in a letter telling how he won the prize, and it was published as follows:

Dear Sir:—

I was very glad to hear that I had won. The boys of Albion, I suppose, were very sad indeed that they didn't win. I thank you very much for kindness you showed me and I know I will like the prize.

It was not the will power that made me win, but it was the determination that I wanted that wheel. I asked everybody I met if they didn't want to take the C-P and if they refused I would ask them the next time I saw them till they signed to get rid of me.

I always asked them if they didn't want to help me win a bicycle first before I asked them to sign for the paper, and I think that helped me to get subscribers. I hope I may win more prizes.

From your friend,

Robert Morlock, Jr.

Page 7 had a poem entitled "It Can Be Done," which tore to pieces the popular slang expression to the contrary, and still another premium offer. It was a clutch pencil which would be given to every boy who turned in one new subscriber.

There were two interesting features on page 8. The first was an account of a party given at a moving picture theater for the carriers who had not been complained of during the month. Thirty boys enjoyed this party, or nearly 50 per cent of the force, which is a good showing. Such emphasis placed upon good service is better than all the iron discipline in the world. The account of the good time the boys had

would make any boy determine to avoid complaints in order to get to the next entertainment.

The second feature was a column of "changes in carriers" for various reasons. Three boys were discharged during the month for not taking proper care of collections, for having three complaints in one night, and for using bad language on the route. Three boys quit for moving away from a route, for being "too tired" to carry papers, and for working otherwise after school hours.

In the case of the carrier discharged for poor collecting, the following comment was made:

Any boy that is not interested enough in his route to take care of his collections will never succeed. Every boy must endeavor to pay his bill in full before Wednesday night. If he fails to do that and we find it is negligence on his part, he will be discharged at once. If you cannot get your money report it and we will assist you. If you have any trouble on your route, do not fail to report it. We are at your service all the time.

Page 9 has an article on good service, some rules of conduct emphasizing neatness, honesty, politeness, helpfulness, clean language, and tact, a letter from a satisfied subscriber commending the carrier, and an invitation to the carriers to suggest what articles they prefer as premiums. "If there is anything you boys would like, let us know and we will get it right away."

Showing that the circulation manager understands the eternal fitness of things, the October number offers footballs, suits, and guards as premiums for new subscriptions at the time every boy is playing the game. Later on, ice skates and a flexible flyer sled are the prizes in a contest. In the spring baseball goods will be featured, and the summer will have its own peculiar premiums.

In the January number of *The Citizen Press Jr.* misspelled words were scattered through the reading matter and display

advertisements, and a prize of \$1 was offered to the boy who first found them all and made a sentence of them relating to his work. This made them read every word in the issue and so kept interest in the magazine very much alive. In the November issue there was an editorial to the parents of the boys telling them how to help the boys to succeed, and it is safe to assume that the parents are regular readers of the sprightly little periodical. It is a great advantage when the parents take an active interest in the boys' work.

This extended consideration of one paper's bulletin is made because, while it is not the oldest, nor the best bulletin issued to carriers, it exemplifies the modern ideas in use by circulation managers. The Houston Chronicle has an excellent bulletin and so have many other papers, and new ones are appearing every month. A bulletin ties together the carriers, or solicitors, in a way that is impossible by ordinary personal contact. It plays intelligently upon their loyalty, pride, and self-interest.

The Proper Use of Rewards

The best system is where there are both rewards for successful achievements and penalties for disobedience. To have one without the other militates against an *esprit de corps*. To "bawl out" a carrier for not having his collections up to par is nothing like as effective as to give a picture show to those who do. This makes a boy see a reason and a reward for doing efficient work.

Every now and then the carriers of The Citizen Press are called together and given a talk by the circulation manager on salesmanship, and the selling points of a paper are pointed out. The Citizen Press gives a boy 15 cents for every new "leave order" turned in without regard to the time specified. The prizes are always a superstimulant, playing upon the inherent love of a game, or contest, in human nature—the desire to stand out from the crowd with the laurel wreath.

The Washington Star took the public into its confidence as a means of creating an *esprit de corps* in its circulation department. Display space was used to inform the public of the circulation methods, with particular reference to delivery. "From Press to Home Within the Hour" is this paper's motto, and pictures of carriers, district managers, and other circulation workers were used, as well as of the mechanical department. The result was not only increased respect for the work in the circulation department, but the public took a more personal interest in the force, and in The Star.

An example of giving the boys a large vision of their work and a new sense of dignity was furnished in the action of The Columbus (Ohio) State Journal, which issued a special edition and placed the proceeds of its sales — amounting to \$5,000 — in a charity fund to be expended by the boys themselves.

F. C. Clayton, circulation manager of The Hartford (Conn.) Times, makes the following report on an address he delivered to his carriers on the subject of "Efficient Delivery," in the assembly room, as reported in The Fourth Estate:

The boys were very attentive and seemed to absorb all I told them, judging from the questions they put to me afterward. I think we will get the results we are seeking. It was very gratifying to have seventy-four present out of a list of eighty. They did not dress for the event but came from their routes, some of them not even going home for supper they were so anxious not to be late. These boys range in age from thirteen to eighteen years.

It was to get them to see that they are a very important wheel in the organization that I had them come and talked to them. When we left the office and went to the theater, we went in a body and they entered and took their seats in an orderly way. I was much surprised to hear them comment on the characters and show a very intelligent knowledge of the whole history of Rome and Julius Cæsar in particular. (This was the moving picture.)

In New York where there are no carriers, but thousands of newsboys, the papers are continually doing something in

their behalf, though no individual paper has its own newsboys. The efforts are simply for all the boys. They have a home that cost \$100,000, and numerous philanthropic and educational activities center here. Theatrical managers frequently contribute to this fund by benefit performances. The list of successful Americans who started their careers as carriers or newsboys would show a most imposing group of celebrities, captains of industry, and members of all professions.

The Saturday Evening Post owes its wonderful circulation record to the development of the sales possibilities of the American boy. This periodical has a premium department that affords the boys practically anything they want as prizes for the work they do. A psychological understanding of the convenience of a nickel as a purchasing unit and of the selling possibilities of the boy turned the trick.

The Soliciting Force

When the efficiency of the soliciting force is considered, no new principles are involved. The solicitor is a boy grown up. Ice skates will not stimulate him to increased exertion, but a gold watch as a prize is effective. If the circulation manager is thoroughly up on his methods, he can take average men, at \$25 or \$30 a week, and get satisfactory results. He may not keep enough all the time to warrant a house organ for them, but they will be on the job long enough to apply the principles of the contest.

Having gotten the men, probably through want advertisements after much sifting, the circulation manager does just what the sales manager of the Burroughs Adding Machine Company does, namely, gives them talks on selling methods until he has imbued them with his policies.

Knowing, as he does, that women are impressed by appearances, he tactfully sees to it that the salesmen understand

the necessity of being clean, of having unspoiled linen, polished finger nails, and well brushed clothes, with a thought also to the shoes. There is something about such a well-groomed (though not necessarily expensively dressed) man that arrests attention and makes others pause before slamming a door.

The solicitors must know the paper from A to Z. They must know the editorial policy so as to be able to handle the prospect who tells them what he does or does not like. They must know all the special features, with their respective appeals to women, to men, and to children. They must know the markets and other departments so as to fit their arguments to each prospect as he indicates his bent.

They need to have developed that subtle quality of not feeling resentment. Managers of telephone companies meet this situation in every new "hello" girl, who must be taught to accept in an impersonal way the abuse that comes from patrons. Solicitors are cut off rudely at times, and it takes either a natural or a cultivated buoyancy to rise above the feeling of pique that involuntarily results from such a reception.

Finally, you must hang up in front of their eyes rewards for better than standard performance. This reward may be in the shape of a prize, or in the promise of promotion to a better job in the office or on the road.

If the paper uses premiums, it is necessary to emphasize to the solicitors that the paper must be talked first and the premium afterward. By giving them a larger commission (if they are on commission) for subscriptions obtained without a premium than with one, this is accomplished in a degree.

When a paper starts out a solicitor, it behooves it to know so far as it is humanly possible to know, that its representative is creditable and that he will not leave behind him errors which a star solicitor following would have difficulty in overcoming.

CHAPTER XII

CONSTRUCTIVE CIRCULATION CAMPAIGNS

Analyzing Circulation Troubles

When a publisher decides that the circulation of his newspaper is below par, he looks to see if the fault lies in one of the two following factors, or in both of them:

1. Is the newspaper as an editorial-news product inferior to its competitors?
2. Are the selling methods of the circulation department inferior to those of the same department of other papers?

If his analysis convinces him that the news and editorial policy is reasonably up to standard, he will concentrate his promotion expenditure in the selling department. He may put on a contest, he may employ premiums, he may devise special reader-interest schemes, or he may rely upon straight soliciting.

On the other hand, if he decides that the facilities of distribution are adequate and that the circulation department has "sold" the territory as far as it can be sold with the product furnished, he will throw the larger part of the promotion expenditure into improving the quality of the newspaper.

The New York Tribune Campaign

The New York Tribune in 1913 analyzed its situation and decided that a campaign to rejuvenate its circulation should proceed along editorial lines. The Tribune knew that it was

on sale at every news-stand and that there was no problem of distribution. It was solely a question of influencing selection; of inducing New Yorkers to choose *The Tribune* every morning instead of *The World*, *The Times*, *The American*, *The Sun*, or *The Herald*.

The Tribune realized that selection could not be influenced in the desired numbers, by any of the regular circulation selling methods, such as contests, premiums, or straight soliciting. These methods would help, and were employed, but the main campaign was in editorial promotion.

The Tribune, therefore, proceeded to improve itself as a newspaper product by raiding the editorial staffs of the other New York papers, and papers in other cities, for their star writers and artists, and the business departments for their best workers.

It gathered around itself notable writers in all fields, art, theaters, sports, fashions, etc., the idea being that these persons would bring to *The Tribune* their personal followings of readers. This idea is an old one among magazines, which play up names like Cobb, Chambers, Rinehart, Kipling, and a host of others, knowing that every person who likes to read their stories will thereby be induced to buy the magazine.

Young and obscure writers who complain that poor writing often "gets by" under an established name, need to know that a magazine or newspaper editor is not merely buying literature when he takes a story from writers like those mentioned. He is buying circulation for his publication, because the hundreds of thousands of persons who have read and enjoyed such authors' previous contributions will be attracted by any writing they do.

Thus *The Tribune* could afford to pay a large salary to a writer on sports like Grantland Rice, on the assumption that his great following of sport-lovers in New York would leave

the paper with which he had been connected and come to The Tribune.

Having engaged these celebrities, The Tribune used billboards, street-car cards, electric signs, advertisements in other newspapers and in magazines, and other means of informing the New York public that their articles would now appear exclusively in The Tribune. What The Tribune appropriated and has spent for its three-year revival campaign would finance a whole paper from basement to flag-pole in many other cities.

The question occurs, in what degree has the expectation of The Tribune been realized from this constructive circulation campaign along editorial lines? Of course, the full effect is not evident, but it is apparent that the circulation increase was not as large as it should have been, and the reason is right on the surface.

The Tribune is intensely Republican in politics. This political intensity has neutralized much of the sales value of the brilliant writers and artists it employed. A reader who liked Grantland Rice in The Mail may find The Tribune editorially offensive. Thus the political individuality which The Tribune vehemently maintains works against the full circulation-drawing power of the promotion campaign. If all the people who are admirers of the stars employed had come to The Tribune, its circulation increase would have been phenomenal.

There is still another consideration which illustrates the essential requirement that a publisher or circulation manager should see, and recognize when he does see them, the broad currents of popular thought. The Tribune, like all Republican papers, suffered a circulation shrinkage in 1912 because of the decided trend of the country away from Republican policies. There were more than three-fourths of the people of the

United States thinking along Progressive or Democratic lines for the time being.

This demoralization of the Republican party was accompanied by a great circulation decrease of all stalwart Republican newspapers, The Tribune included, but as the Republican party comes back to its normal being, as the people begin to get back in the old ruts of thought and the Progressive thought is merged in the Republican thought, Republican papers, The Tribune included, will feel a circulation increase.

Now, the current of popular thought is running as strongly toward The Tribune as in 1911-1912-1913 it ran away from it. If The Tribune had not spent a cent in promotion work, it would have felt this stimulus, and would have ridden this wave. The turning of the political tide, therefore, is a factor in the revival of The Tribune which only its publisher can appraise. For the year ending March 1, 1915, The Tribune made a gain of 97 per cent in city circulation, and its policy of guaranteeing advertisements seems to be vindicated in an increased volume.

Perhaps The Tribune was aware of the political factor and harnessed its promotion campaign to it. If so, it was an exceptionally able stroke of management. The point to be observed by all circulation managers is the advantage and necessity of being alert to, and, if practicable and righteous, of tying up to, the great ground-swellings of popular thought.

The New York Evening Post Campaign

The New York Evening Post is an example of a newspaper which sought circulation expansion through both editorial and circulation selling methods. This was done under the direction of Emil M. Scholz, the publisher, who was brought on to New York from a successful career as general manager of the Pittsburgh Post and Sun.

Mr. Scholz came up through all the phases of circulation

work until his knowledge of selling a paper to subscribers qualified him to take general supervision, including the selling of circulation to advertisers. He acquired a most efficient side-partner in Robert B. McClean, who had worked with him in Pittsburgh and other cities.

The Evening Post is a three-cent newspaper of high literary standing, and making a specialty of business news. Only about 25,000 New Yorkers buy it daily, which, as circulations go in New York, makes The Post distinctly a class paper. The problem resolved itself into this: Has The Post all the readers to which it is entitled naturally, and can non-readers be educated to want a newspaper of its kind?

A negative answer was given to the first question and an affirmative answer to the second. The Post knew that there are many more persons who want the kind of newspaper it is, than actually buy it, and it also knew that there are many persons who could be educated into wanting a newspaper of its type.

Like The Tribune, The Post employed street-car cards and liberal advertising outside its own columns, to inform the New York reader of what The Post stands for and the various features carried. But the most conspicuous promotion method was the invitation to the woman suffragists to edit one issue. In February, 1914, more than 20,000 copies of The Post were sold on the streets by the women, and in February, 1915 — the date of the second woman's suffrage number — the sale exceeded 50,000 copies above the regular circulation.

The great benefit from this promotion scheme was the introduction of The Post to thousands of new readers, in a way that could not otherwise have been accomplished without an enormous and prohibitive expense. In other words, The Post hitched up to one of the live issues of the day as a circulation promotion method.

In much of its street-car, subway, and newspaper adver-

tising The Evening Post made a direct appeal to the young man in business — not necessarily to the man young in years but to the business man youthful in his desire for information. Advertising of this nature, planned consistently, backed by a newspaper the reading of which is an education in itself, attracted many new readers of a substantial and permanent type. The scholarly quality, the informing treatment of the news, and absolute independence were the cardinal points and the keynote of the advertising.

The net result of The Evening Post's campaign was to elevate its circulation to the highest point in its history of one hundred and fourteen years, the gain during the period of less than two years indicating a growth of 58 per cent. Many papers have fluctuated in their growth during the war period — The Evening Post circulation has remained steadfast. Meanwhile there has been no let-up in the advertising of The Evening Post, its general policy being not only to preach advertising but to practice it. Advertising is one of the principal duties of The Evening Post's circulation manager.

The Record of The New York Times

The New York Times is a notable example of a newspaper which has made a wonderful record in straight circulation selling through editorial quality alone. The Times does not use premiums, or contests requiring investments in subscriptions to win prizes. Its nearest approach to the premium idea is in its gift of beautiful pictures to its readers, but substantially it has depended upon its value as a newspaper to win its way.

In 1898 The Times had 25,726 circulation.

In 1915 The Times had 300,000 circulation.

In 17 years a gain of 1,100 per cent.

The explanation of this healthy and persistent increase is found partly in the rapid growth of New York's population,

but chiefly in the discernment of the publisher, Adolph S. Ochs, who saw and utilized the opportunity for a newspaper of The Times' individuality.

The Times appeals to the mental stratum which, while not ultraconservative, eschews the ultrasensational. The Sunday Times is a beautifully groomed, refined, and enlightened news magazine, in sharp contrast with some of the other papers and their hodge-podge of side-show features and back-stairs scandal.

Its pictorial supplement has been a distinguishing characteristic. The fortunate use of advanced methods, such as the Roto-gravure photo-reproduction process, has been one of the most positive circulation builders any paper has ever employed. The service to its readers and the public in subsidiary publications like the Book Review, the Annalist, and the European War supplements and periodicals, has proved to be an important factor in holding and attracting circulation.

Circulation Methods in Boston

The Boston Post is a striking example of newspaper success attained through the publisher's perception of the type of paper the local mentality would support. Edwin A. Grozier in 1891 took charge of The Post when it was bankrupt and built it up to its present commanding position—the largest week-day morning circulation in the United States—and a one-cent paper!

In Boston also is the comparatively new Christian Science Monitor, which presents the highest standards of editorial and advertising censorship in the world. Owing to the fact that The Monitor was launched by a religious denomination whose followers are unusually loyal, its success was assured, and there is no way of estimating how a paper of equally high ideals would have fared if it had been promoted by ordinary methods. It has been the favorite excuse of publishers when pressed

for an explanation of low ideals in news and advertising, that the public would not support, and did not want, a newspaper of high character. Without regard to the denominational support The Monitor has received, it has shown that there is a desire for clean journalism, and its policies have had a most marked influence in elevating the tone of American newspapers. Its mail, or international edition, 12, 14, up to 24 pages, at \$5 a year, is a circulation profit because the subscription price will cover the cost of white paper and postage, with a good margin for overhead charges.

Hearst Circulation Methods

It is important to analyze the Hearst editorial policies, and the school of journalism of which Mr. Hearst is the chief exponent, because of the circulation successes that have attended his publishing enterprises. The four main principles may be summarized as follows :

1. Startle the reader with the intrinsic nature of the news, or by the manner in which it is played up.
2. Sermonize to him in the editorial column.
3. Make him laugh.
4. Play on his sense of sex.

Wherever you find a Hearst publication, newspaper or magazine, these four features will be outstanding. There are, of course, many other features, including an aggressive news service; but the foregoing principles are the magnets that draw circulation.

Big type, red type, vivid, passionate words engage the reader's eye, as does a liberal visualization of the text with pictures. The elemental virtues are preached constantly, against the vices of gambling, drunkenness, stealing, etc. Understanding the stress and strain of American city life, humor in large doses is employed in prose and pictures. And

the reader is always sure of having his sense of sex stimulated by pictures of beautiful women in all stages of dress, and unconventional poses.

This concentrated appeal to a reader's emotional nature brings him back again and again to the paper — if he is susceptible to that sort of appeal, and the circulation of the Hearst publications shows how many are. In New York City *The Evening Journal* averages more than 800,000 copies daily — double the circulation of any competitor.

Along with this highly seasoned mental appeal, the Hearst publications conduct the most vigorous circulation promotion methods of every description. Millions of books are sold with coupons, voting and other contests with valuable prizes are always under way, advertising in all its forms is used lavishly, while soliciting with and without premiums is unceasing; in short, an aggressive sales policy goes hand in hand with an extraordinary manufacturing, or editorial, policy.

The Influence of Editorial Excellence

This chapter has been devoted exclusively to considering circulation promotion through editorial features, because under keenly competitive conditions the larger part of an appropriation should go into this method.

In New York, people buy their newspapers like they do theater tickets, at least a very large percentage of the people do; that is, according to the current attraction. They change from paper to paper as new features appear and are advertised. All the New York papers have perfect distribution facilities, so that it becomes a question of influencing selection at the news-stands. Every one of them has an advertising appropriation now, just like *Fairy Soap* or *Uneeda Biscuit*, to inform the public of their current attractions.

In smaller cities, newspapers cannot afford to spend the money on editorial features that papers in Chicago, Boston,

Philadelphia, and New York do, and so the larger part of a promotion appropriation goes into regular subscription selling methods, such as contests, premiums, soliciting, etc.

In actual practice the two main methods are blended, so that a paper may be said to be promoting circulation through editorial, or through subscription methods, according as the bulk of the appropriation is thrown into the scale of one or the other. Before closing this discussion and going into the subjects of special reader-interest features and of premiums and contests, the direct testimony of a newspaper on what accomplished its circulation and advertising revival is of practical interest.

The New York Evening Sun in 1914 made an advertising gain of 324,601 lines more than all other New York papers combined, and a net increase of 30,000 in paid circulation. Its explanation follows:

The Evening Sun's cleverness and good discretion in the general news handling — the common touch of its featured columns (Sun Dial, for instance) — the expert and complete sporting department —

The authenticity and fairness of its war news —

The penetration and neutrality of its famous war editorials, and — its advanced and reasonable woman's page, and —

Withal its clean and handsome make-up, have so commanded public interest and favor and created such confidence in it as a newspaper personality that the public and advertisers believe in its advertising columns as they believe in its news columns.

CHAPTER XIII

SPECIAL READER-INTEREST FEATURES

Holding the Subscriber

After a newspaper gains a subscriber or a regular reader, there is the problem of holding him. This problem becomes difficult in proportion to the number of newspapers interested in winning his patronage. If the reader has two or more evening, or morning, newspapers from which to select, it is then a problem of influencing him to select your paper.

Hence, the manager of circulation has not finished his work when a name is entered in the subscription list. He cannot sit back on the assumption that it is up to the editorial department to hold the reader. Some editorial departments understand that this is their function, but many do not, so the circulation manager must keep his mind busy devising ideas for riveting the reader to the paper.

The individuality of each paper holds to it a certain irreducible minimum of readers, that is to say, those readers who like the political and other prejudices for which the paper stands; but this bedrock circulation is never sufficient, and must be augmented from the great transient, independent reading class, in order to present a circulation volume attractive to advertisers.

Here is where the special reader-interest features originated. Variety being the spice of life among newspaper readers, no less than among any and all other persons, the manager of circulation, or the publisher, or the managing editor, constantly seeks some new thing to make the paper interesting. In this

chapter some of the conspicuously successful features will be analyzed in an effort to discover principles and laws.

Basis of the Special-Feature Appeal

It should be noted in the first place that the value of special features is in the talk created about a newspaper. Everybody talked about the toy-ship to Europe, because it came at the season when unselfish thoughts were uppermost and the occasion was intensely emphasized by the horrors of war.

"I notice that The World is going to send a shipload of toys to the little Belgians and other European orphans," one mother said to another, or one father to another, or one child to another. It had a universal appeal. Thousands began buying The World to know more of the plan.

It becomes talked about that The Sun will give a prize in cash to the oldest commuter, or New York worker who has been riding back and forth on the suburban trains for the longest time. The distinction, of course, is much more valuable than the prize, and the readers of every newspaper in New York, or those at least who live in the suburbs, will buy The Sun and figure out their commuting records.

The New York Globe's pure food campaign was one of the most successful special features ever conducted in America, and one which rested upon the soundest reason. Its sales of cheap meat and eggs were a powerful play upon the material and moral self-interest of newspaper readers, with a subsidiary play upon their fear. The circulation result was gratifyingly affirmative.

In this fight on the high cost of living, led by the newspapers, The Globe was in the forefront. In three days it sold 500,000 pounds of beef, 200,000 dozen eggs, and 263,000 pounds of fish in an assault upon high prices, which seemed to be artificially created and maintained. The Globe took the fundamental idea that the food people eat is a vital matter

and should be pure. It then employed an expert and showed up conditions of the most harmful character. The whole food situation in New York was improved and housewives bought The Globe in large numbers.

"Swat-the-Fly" campaigns all over the country are examples of a special feature which plays upon the fear of readers. The newspapers first established to the satisfaction of the readers that the fly was dangerous and then on this basis of fear exploited the idea to the limit. Inasmuch as every paper carried this feature, it had no circulation effect upon any one of them.

Features such as this which cannot be specialized in one newspaper, at least for a time, are not good circulation features, though of course they may be highly proper from the viewpoints of education, reform, and principle.

The New York Evening Post's edition by suffragists was a promotion feature which appealed to the prejudice of newspaper readers, prejudice here being used not in the sense of narrowness, but as indicating a positive conviction held, at the time, by a minority.

Nature of Special-Feature Appeal

The chart on the following page is an analysis of the reader-interest of special features in circulation promotion work. Any special feature is limited by its nature to either a general or a class appeal, that is, to a majority or to a minority. The manager of circulation determines whether he wishes to interest the majority or a minority.

For example, a popularity contest with prizes appeals to a whole community. It stirs up interest among every class of readers. On the other hand, an essay contest may make a distinct appeal to a class of readers, to school children, to adults interested in history, and so on. There are times when the circulation manager wishes to build circulation among a

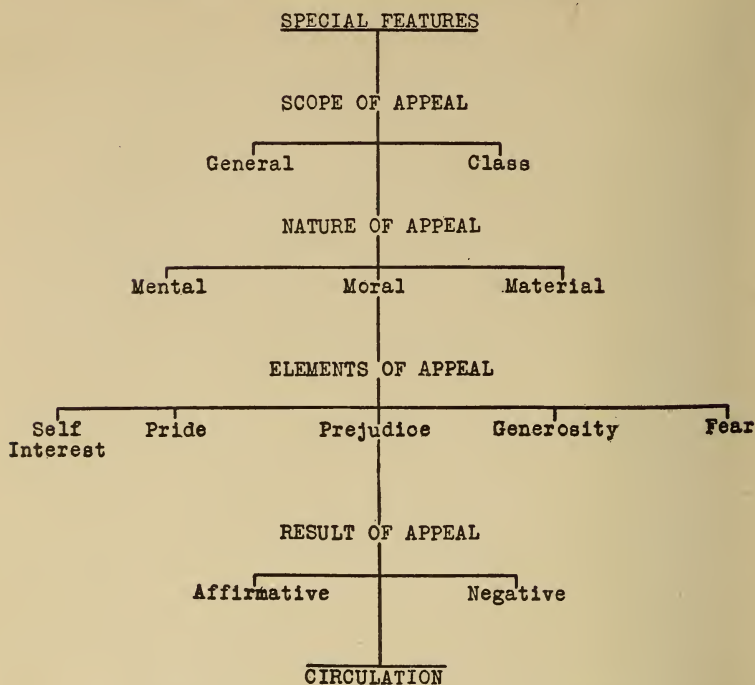


Chart 4. *Analysis of Special Feature Appeal*

particular class, and then a feature appealing exclusively to a class is proper.

The next step in considering a special feature is the nature of the appeal to be made. Readers have three sides upon which they may be approached, namely, the mental, moral, and material. The manager of circulation may appeal to any one, or all, of these self-interests. Usually, however, an appeal is made to not more than two at one time.

A popularity contest cannot be said to make a mental appeal, or a moral appeal, but inasmuch as it offers prizes, and balm to vanity, it appeals to the material side of the reader. On the other hand, an essay contest appeals distinctively to the mental side, with a subsidiary appeal to the material side through the prizes, or honors, offered.

A fund soliciting money to buy Christmas dinners for the poor is an example of a special feature that appeals to the reader's moral side, using the word moral in its broadest sense. Such a feature offers the reader no material or mental inducements, yet it may arouse his interest and make it more lasting than a feature appealing to more superficial traits.

Each new fad or utility as it comes along is utilized by the papers for this kind of circulation-promotion work. Automobile races were featured when the automobile was new. A while back "aeroplane meets" were the vogue. Then moving pictures came along and the papers rode this popular interest for all it was worth. Tomorrow, whatever happens to engage public interest will furnish material for similar exploitation.

Nowadays, the higher grade circulation managers are employed as much for their ability to originate special features as for any other reason. However, whether such features originate in the editorial, advertising, or circulation departments, they all have a direct bearing upon circulation.

The advertising manager may put on a "Dollar Day" bargain campaign, without a thought of the circulation effect, yet in so far as this feature keeps the reader interested in the paper, or causes non-readers to talk about the paper, it has a definite circulation value. The managing editor, too, may exploit an idea found in a contributor's letter and so develop a human-interest feature that will invigorate the whole circulation.

The New York Evening Sun exploited a letter written by a woman who asked, in view of the continuance of the European War after our national prayer for peace, if our faith in prayer had been lost. It was a timely feature that aroused wide interest, and regardless of which department originated it, was a circulation holder and builder.

By a close reading of his newspaper to discern the trend of popular thought, the circulation manager will find many

ideas which can be utilized to keep up reader-interest. Technical and scientific journals frequently have ideas a little in advance of the general knowledge, and these can be appropriated to advantage.

When the circulation manager understands that the function of the newspaper is to lead public interest in everything, and that the newspaper has an unrivaled opportunity to promote the welfare of the people, he will have attained a conception of his work that will show in a larger circulation. The same principle must be considered in selecting premiums, for these frequently are in keeping with the prevailing fad. A fly-swatter was good for a while; a sanitary drinking cup rode another popular wave; and so on.

The best feature is one by which the paper renders its readers a real tangible service, like showing housewives how to market to the best advantage when prices are high, or fighting for reasonable gas or lighting rates. Any practical scheme for lightening the load on a reader's purse is acceptable. Cheap demagoguery in a newspaper is not profitable. It never pays to be unjust to anyone. The paper must have a righteous cause or it cannot, in the long run, benefit its readers or hold them.

Analysis of the Special-Feature Appeal

The nature of a special feature's appeal may be subdivided into certain well-defined elements. For instance, you may appeal to a reader's mental self-interest, pride, prejudice, generosity, or fear; or to his moral self-interest, pride, prejudice, generosity, or fear; or to his material self-interest, pride, prejudice, generosity, or fear.

Continuing the analysis, a popularity contest appeals to the material self-interest and pride of a majority of readers with an affirmative effect upon circulation. An essay contest, or spelling bee, makes an appeal to the mental pride and self-in-

terest of readers, with a negative effect upon circulation.

It is true that the essay contest may add new readers, but in this analysis, for a feature to have an affirmative effect upon circulation the increase must be decisive. A popularity contest with prizes that adds 20,000 subscribers affects circulation in an affirmative way, while a spelling bee, essay contest, or similar special feature may do little more than hold present readers, or add an immaterial number of new readers.

No argument is intended against features which do not produce new business but do hold present business. Such special features are among the most valuable promotion plans employed by newspapers. The circulation manager is obligated to retain present readers more than to win new ones, and special features preeminently do this. The essay contest may have appealed to an element of readers which would be untouched by the ordinary contest with prizes. All classes of readers at one time or another should be induced to take a more concrete interest in the paper than reading it day by day. Wavering customers may often be held by these features.

The New York Evening Globe is an interesting example of a paper which exerts extraordinary efforts to secure the approval and patronage of a certain class—the home circle. Knowing that the child is the center of a home, its school page is notably strong and is therefore favorably received among teachers and parents. Besides, its magazine page has features of peculiar interest to children, such as bedtime stories, etc., which cause parents to get the children in their laps and read The Globe to them.

Incidentally, a paper which has home circulation is building good-will among future homes, for children learn to consider the paper as part of their environment, and the tastes formed in early life will stay with many until manhood.

The Globe's pure food campaign mentioned earlier in the chapter, may be considered as a very important instance of

special-class appeal. It was a home feature because it interested women primarily, and they are the buyers of the family food and the guardians of the family purse. The man may buy a paper from a newsboy and throw it away after scanning the headlines. If he has a home, his wife is likely to say, "John, bring *The Globe* home; I'm reading the pure-food articles."

The shipload of toys to the orphans of the European War, featured by *The New York World* and papers elsewhere, is an example of a special feature with a broad appeal to the moral generosity of the public, with a fine tonic effect upon circulation.

The *New York Sun's* campaign to find the oldest commuter appealed to the pride of a large number of its own readers and to the same element among every other paper's readers.

A worthy charity is always a good circulation feature, because every reader who contributes to this kind of fund has made an investment of which he is proud and about which he will talk to his friends, invariably mentioning the paper, and usually his own participation. The value of these special features lies in just this fact that they cause one person to talk to another person about them.

Main and Subsidiary Appeals of Special Features

Features may have a main appeal to one class of readers and a subsidiary appeal to another class. For example, a "better babies" contest will interest women primarily, though men have a strong subsidiary interest—especially fathers. A popularity contest usually enlists active competition only among women, but as the men "pay the freight" in buying the subscriptions, it hardly can be classed a sex appeal.

The *New York Evening Mail's* "Modified Marathon" is a feature with a sex appeal primarily to men and boys, but the

number of women who watch the event proves that physical contests and athletic exhibitions have a strong subsidiary appeal for women.

The Globe's pure food campaign had a sex appeal primarily to women, because they buy the food for the family, yet men took a decided interest in the feature. The same paper uses features which have a general appeal, for instance, The Roberson Travelogues.

The Brooklyn Eagle's famous "Spelling Bees" appeal primarily to school children, but through them to parents and adults, and so the feature has the widest appeal.

The New York Times contest for "American-Made Fashions" was a most effective appeal to women primarily because the subject of clothes is undoubtedly uppermost in the feminine mind. By exploiting this characteristic, The Times helped its circulation decisively.

The New York Sun's "Trip Around the World" was a special feature that had more than a local appeal, for the entire world watched its special representative as he endeavored to break the record. Such a feature offered splendid publicity points, owing to the spectacular exertions to make train and steamship schedules dovetail under varied difficulties. High government officials throughout the world helped to make the feature a success.

Broader Effects of the Special Feature

A significant fact about these features in newspapers is the educational, entertaining, and philanthropic effect they have upon readers. The music festivals given at popular prices are a cultural influence of inestimable value. Christmas dinners to the poor, like the annual event of The New York American, develop the best impulses of hundreds of thousands. Book-lovers' contests, spelling bees, and essay contests tend to raise the educational standards of any community. Travel lectures

broaden the mental life of those who read them, and promote international amity.

The newspapers, too, frequently fight battles on behalf of the people which are far-reaching in their beneficial consequences. The New York World led in the fight for reasonable taxicab rates and so saved the public hundreds of thousands of dollars. The Louisville Evening Post every winter sells many thousands of tons of coal to its readers at cost prices. The Chicago Tribune is a brilliant example of a newspaper constantly alert to the public interests.

Though some of the features which have been mentioned are of extraordinary value to readers, it would be stretching a point to assert that the newspapers are wholly altruistic in these policies, for they are not. It is apparent, however, that special features are in most instances a positive benefit to the public, and even when deliberately conceived as circulation promotion methods, they give a fair return for their investments, either of interest or cash.

Suiting the Feature to the Occasion

Timeliness is the most important factor in using a special reader-interest feature. The Chicago Tribune was in at the start on the moving picture serial story in conjunction with the films in the theaters. While still used, this feature has lost its freshness. The New York papers novelize and run as a serial every successful play in the theaters. This is where the newspapers have the advantage of periodicals, which must wait ten days to four weeks to get a feature before the public.

In the autumn of 1914, The Chicago Tribune obtained a moving picture of European War scenes and sent it around to the towns in which it has circulation. This was a timely and effective circulation stimulant, as The Tribune's name was kept prominently in evidence as the sponsor of the feature. The relief funds raised by hundreds of papers for the suffer-

ers in the war afforded an outlet for the sympathies of the American people, and other similar good impulses find a channel of expression through the activities of the newspapers.

All the Hearst papers have some live issue under discussion with their readers all the time. The Boston Post during the winter of 1914-1915 featured a "Build Now" campaign, based on the low cost of materials and labor on account of the business depression caused by the European War. The same hard times gave The New York Evening Mail the idea of a "Save-A-Home Fund," contributed by its readers to keep poor families from being ousted from their homes for unpaid rent.

The newspapers have led in the cause of good roads. They have advanced the idea of conserving the natural resources by distributing trees, and of beautifying the country by distributing flowers at cost prices. The Louisville Herald imported a culinary expert and held a cooking school with marked benefits to the women of that city who attended. It would take several chapters to enumerate all the ways in which newspapers have helped their readers in solving economic problems, in attaining a higher culture, or greater humanitarianism.

Advertising and Circulation Co-operation

Frequently the circulation manager and the advertising manager can act together on a feature. The Atlanta Constitution has exerted this double pull upon advertising and circulation with success. A contest over trade-marks of advertised goods, with prizes, turns the trick. Or, the want ads afford the same opportunity, with prizes for picking the best.

Co-operative work of this kind, it would seem, could be much more frequent than it is. The development of teamwork between the circulation and the advertising departments,

or between the circulation and editorial departments, or among all three departments, is receiving more and more attention from business managers and publishers. The go-it-alone policy of each department is disappearing.

Special Features and Small Newspapers

While the features here described have been devised and employed mostly by metropolitan papers, there is no reason why the publishers of small dailies should not utilize the same principles. Some are doing so with surprising results. The smaller dailies watch the larger ones and modify the new features according to their own needs and resources. There is always some local charity, political abuse, or new public interest that can be exploited, and frequently the only cost is that of the space used.

Slogans — Distinctive Characteristics

Manufacturers long have known the value of a slogan, and nearly every big concern of any character has one. The Simmons Hardware Company, St. Louis, with "The recollection of quality remains long after the price is forgotten," is a typical example. Newspapers are using slogans now. The Chicago Tribune sometimes gets letters addressed to "The World's Greatest Newspaper." The Tribune, by the way, comes close enough to this egotistic assertion to justify its use. The New York Times hammers in "All The News That's Fit To Print," and similar slogans could be cited in nearly every city. A good, strong line that identifies a paper and its individuality is unquestionably worth while.

The New York Evening Post maintains a statistical department which furnishes reports on the advertising gains and losses of all New York newspapers. The circulation advantage of this service lies in the fact that all New York papers refer to The Evening Post as the authority for their claims,

and the statement, "Records Compiled by New York Evening Post," is a common sight in trade journals. There are, moreover, many other advantages accruing to The Post from this special feature.

CHAPTER XIV

PREMIUMS

The Policy of Using Premiums

Newspaper publishing is a manufacturing enterprise, governed by the same laws that regulate the production of shoes, plows, or any other commodity. Hence, in considering the premium method of increasing subscription sales, the same general principles are involved that are operative in any selling proposition.

Certain newspapers whose social, financial, and political position is above competition, speak contemptuously of premiums. Nearly every city affords at least one example of such a paper. Needless to say, every newspaper would like to occupy this enviable position; but where several newspapers insist upon doing business in the same field, most of them must resort to something more than counter sales, or self-selling ideas, in order to live.

The manager of circulation who affects a supercilious attitude toward premiums is reflecting the old conception of a newspaper as a "literary journal" which cannot afford to be too commercial in its ideals and activities. Modern competition, and the development of the premium idea to a scientific basis, are putting this conception into the limbo reserved for the unprogressive.

Also, if the newspapers which boast that they use no premiums, contests, coupons, or like inducements, and which claim that they depend upon the news and editorial features to hold readers, are analyzed, it will be found that the difference between them and the papers which employ all these promo-

tion plans is one of form rather than of substance. The New York Times is a notable example of the first type.

The Times will not give a stew-pan to get a reader, but it gives beautiful pictures. As a matter of principle, what is the difference? In form the distinction is apparent, but in substance each is a premium, or a bid for patronage by offering something extraneous to pure news. It happens that the class of readers to which The Times makes its appeal prefers its premiums in the form of art pictures rather than as sad irons or table ware.

Whatever the nature of the premiums themselves, the method as a business policy is not shoddy. It should be used or left alone, solely according to the needs of any given situation. It is a sales plan in successful use by too many large enterprises for it to be classed—as some top-lofty publishers class it—among questionable business practices. This system of increasing the sales of newspapers is receiving more and more attention from circulation managers and publishers, and is destined to attain to a sounder economic basis and to greater efficiency.¹

Basic Principles of the Premium System

Before applying the principles of this system to newspaper-selling, it will be useful to state some of the general laws and facts underlying the system.

The fundamental principle of the premium method of increasing sales is the gift of a value or a service to the customer in addition to the ordinary purchasing power of his money.

This does not mean, necessarily, that one concern using premiums has a higher selling expense than another concern which eschews them. Each may have the same selling expense, but they apportion this expense differently. One will

¹ Those who desire an elaborate analysis of premium principles will find "The Premium System of Forcing Sales," by Henry S. Bunting, useful.

devote all of its selling appropriation to advertising and salesmen, while the other may divide its appropriation among advertising, salesmen, and premiums.

Where the entire appropriation for selling expense is put into the various conventional forms of advertising, the consumer gets no benefit from the selling expenditure, other than being informed where he may buy to his advantage.

On the other hand, if the consumer is induced to buy through a premium offer, he gets part of the selling expense in the form of the premium. That is to say, a premium is one form of advertising which in itself benefits the consumer because the selling expense goes partly into his pocket.

Strictly speaking, the premium system is at its best where the seller actually gives the buyer part of the selling expense in the form of the premium, for then it is real profit-sharing. It is, in fact, a discount for cash. The United Cigar Stores policy is based on this strict interpretation of the principle, for the coupons given to its customers actually represent a rebate from the normal selling price of cigars.

The Modified Premium System

But there is a variation from this pure principle, to what is termed "the modified premium system." The distinction was made above when it was stated that a premium "is the gift of a value or a service." The New York World and The Portland Oregonian are good examples of both systems.

The New York World gives away its premiums absolutely. No cash payment is required of the reader, though he must clip a coupon from the paper and present it to receive the gift. On different Sundays The World printed coupons good for fly-swatters or sanitary drinking cups, which resulted in the distribution of more than 250,000 of these articles.

The Portland Oregonian, however, does not give away any premiums. It uses the "modified premium" plan, which re-

quires the customer to pay for the premium. For example, a customer who will agree to take *The Oregonian* for three months may have a European War atlas as a premium upon payment of 15 cents extra; or a coffee percolator for \$1.25 extra, or a 34-piece dinner set for \$2.95 extra.

The World is an example of a gift of a "value" to the customer, while *The Oregonian* is an example of a gift of a "service" to the customer — in both cases as premiums. The service that *The Oregonian* renders its customers is in enabling them to buy the war atlas, the percolator, or the dinner set at wholesale prices. It has bought these articles in immense quantities and gives the customer of the paper the saving of the retail profit. It is evident that each paper has given its customers something above the regular purchasing power of their money.

The Modified Premium Plan for Periodicals

The modified premium system is much in vogue among periodical publishers, notably *The Literary Digest*, *Review of Reviews*, and *Collier's Weekly*. These periodicals originate sets of books and sell them to readers at a price, in monthly instalments, which covers both the subscription and the cost of the books. In many instances periodicals have made a profit out of the premium books. This point needs elaboration.

As a rule, the periodical or industry which tries to make a profit out of its premiums is on precarious economic ground. This vitiates the principle of the premium as a selling method. The modified premium method is unobjectionable because it enables the paper's customer to buy under the market price — a saving which is as tangible as a gift of the same amount of cash. In the case of the periodicals which make a profit out of the books offered as an inducement for subscribing, the customer gets neither a value nor a service, but an opportunity.

The opportunity is in buying a set of books which cannot be obtained elsewhere.

For instance, Collier's Weekly originated Dr. Eliot's "Five Foot Shelf of Books," a fifty-volume set, and this is unobtainable elsewhere. Now, this is an excellent set of books, and about four and a half million volumes have been sold. The inducement to subscribe to Collier's is the opportunity to get the books, but the customer pays for the books in his monthly instalments. Whether the publishers make a profit out of this premium, they alone can say, but it is much farther from the true premium idea than either The World or The Oregonian plan.

By clever presentation of the merits of books, periodicals induce a desire for them in the minds of readers. They then announce that for \$1 down and \$1 a month for eleven months, the reader may have both a yearly subscription to the periodical and the set of books. They dilate on the fact that the book cannot be obtained except in such a manner, and usually infer that the price will go up shortly. The readers buy, and in most instances get full value for their money, but aside from the opportunity of getting the books, they have received no premium.

It is interesting to note that P. F. Collier & Son since 1875 have sold about 71,000,000 books valued at \$108,000,000, most of which have been sold in connection with subscription campaigns. The number of books sold by all periodicals would stagger the imagination.

The Coupon System

All the "coupon-and-so-much-cash" schemes for books, etc., are based on the modified premium principle. That is, the paper adds to the wholesale price of the article, the cost of the space used to exploit it and the cost of handling. In

small cities the papers will not make a margin of profit out of the books to cover the cost of the space used, though they do make a profit.

A small daily usually will put on a book campaign after Christmas, or at some dull advertising period, for then the space can be spared and it is cheaper to fill it with a few big advertisements about a book than to fill it with news. Metropolitan papers make the book pay for the space, or sell the space to the publishers who use the prestige of the paper to sell the book to the readers.

The Chicago Tribune announces that it uses no coupons, premiums, contests, etc., but it allows book publishers, or souvenir-spoon manufacturers, to run advertisements offering the articles for so much cash and so many coupons clipped from The Tribune. It is likely that not one reader out of a thousand understands the paper's relation to the scheme. The advertisements are written as if The Tribune were making the offer, though the articles advertised are not obtainable at The Tribune office, and the name of the real distributor appears in an inconspicuous place.

The books offered cannot ordinarily be bought in book-stores, and this exclusive distribution through the paper at 98 cents, or 49 cents, or some other bargain-counter price, constitutes the inducement to the reader. Skilful advertising induces the desire, and the circulation benefit is first, in enabling the reader to get a desirable book or article at a reasonable, or bargain price, and second, in requiring him to cut coupons consecutively from the paper. Also people will show these articles to friends, and so advertise the paper.

There is, moreover, a considerable educational value in the books sold in this manner by newspapers and periodicals. Standard authors are distributed, as well as books designed to ride a temporary public interest, and the public is benefited by

reading them, or having them in the home available for children. But they are not premiums.

It is legitimate for a newspaper to add to the cost price of a premium, the advertising value of the space used in the paper to exploit the article to the reader, just as it figures in the cost of a solicitor; and in this way newspapers create a demand for their own space. The reader of The Los Angeles Tribune who subscribes for a year can get a beautiful dinner set at a price at which no Los Angeles store could afford to sell it, and yet The Tribune has given the reader little more than the opportunity to buy at cost. The Tribune purchases the dinner sets in car-load lots and passes them along to its readers at wholesale prices.

In New York, where transient sales are predominant, The New York World influences people to buy its Sunday edition by premium offers involving nothing except the purchase price of the paper and the clipping of a coupon. A. E. MacKinnon, formerly manager of circulation for The World, in an address before the National Premium Advertising Association stated that the sales were increased 41,000 net on one Sunday for a coupon and an inexpensive article. In this kind of premium work, the paper necessarily must hold the cost down to a fraction of a cent, and The World has used sanitary drinking cups made of paper, fly-swatters, calendars, pictures, and maps.

Premiums vs. Cash Discount

A premium frequently is simply a cash discount or commission offered in the form of an article. Suppose a paper selling at \$3 a year allows a commission of 50 cents upon subscriptions. If the agent or carrier takes the cash, in spending it he must do so at full retail prices. If the newspaper buys the article on a wholesale scale, it can make the 50 cents represent at least 75 cents, and possibly \$1. Hence, a premium

usually will represent a greater value to the buyer than the cash discount or commission.

The United Profit-Sharing Coupons, if their face value were given to customers in cash, would not purchase within 50 per cent of the value they have when redeemed in premiums. This is so because the United people buy standard articles in wholesale lots and pass them along to the customers holding coupons, at a large saving from retail prices. That is, if a customer buys Colgate's shaving soap, he must pay 20 or 25 cents for it in a drug-store, while he could get the same article from a United premium house for coupons which represent less money, because the premium house bought the soap at wholesale cost and so figured it in redeeming the coupons.

An example of straight premium giving is found in the circulation department of The Jackson (Mich.) Citizen Press. A carrier boy will get a clutch pencil, or a year's subscription to a boy's magazine, or some other article that delights the boy heart, for one 16-week subscription. Here is an actual gift to the carrier out of the paper's resources, and it is in effect a cash commission offered in the form of a premium.

Or, this paper will give the carrier 25 cents for every such subscription turned in. But the boy cannot invest that 25 cents in a pencil, a pair of skates, a bicycle lamp, or a football, as advantageously as the newspaper can when buying wholesale. That is why a premium attracts him more than the cash. He gets a bigger value. Besides, there is a psychological attraction about a premium. It is much more appealing to the imagination to offer a boy a Jersey sweater than the equivalent in cash.

Psychology of Premiums

The general psychological principle underlying the premium is the universal desire to get something for nothing.

Old and young, men, women, and children, seldom cease to feel this attraction. In the case of a pure premium plan, this is not an optical illusion. The seller here actually divides part of the selling expense with the customer, for a percentage of his advertising appropriation goes into the buyer's pocket in the form of a premium.

Some premium schemes exploit the gambling instinct, the get-rich-quick failing in humanity, the desire to reach out into the land of dreams and snatch a fabulous value for a small cost or exertion. But this practice is not legitimate.

It is commercial suicide to play skilfully and unscrupulously upon the human desire to get something for nothing. A newspaper is under covenant, more than other enterprises, to keep within the bounds of fair merchandising. Public confidence is the newspaper's chief circulation asset, and its premium policy must be bona fide.

Premiums in Other Lines of Business

Possibly a clearer conception of the general premium principle will be obtained from a brief consideration of its application to lines of business other than publishing.

Among department stores and manufacturing concerns, the general allowance for premiums is from 2 to 3 per cent of the sales — usually $2\frac{1}{2}$ per cent. For example, if a store has gross sales of \$500,000 a year, the allowance for premiums will be \$12,500, which is $2\frac{1}{2}$ per cent of the gross amount.

However, when \$12,500 is invested in premiums at wholesale, it will yield merchandise worth, at retail, at least \$17,500 to the coupon or stamp holders, which is equivalent to $3\frac{1}{2}$ per cent of \$500,000. But experience has shown that a great many coupons or stamps will not be redeemed. The average redemption is somewhere from 35 to 60 per cent of the total issue. The United Cigar coupons are redeemed to 86 per cent of the total issue, which is the record figure. As a rule,

to allow for a redemption of 60 per cent is conservative. Hence, the premium house will allow for this by increasing the value of the premiums another 1 per cent, or $4\frac{1}{2}$ per cent of \$500,000, bringing the retail value of the premiums to about \$22,500.

Another plan is for a retail store to give trading stamps, or savings bonds, representing $2\frac{1}{2}$ per cent of the customer's purchases; that is, one stamp or bond with each 10-cent purchase, etc. When the customer has saved stamps representing \$100 in purchases, they are good for \$2.50 in merchandise, or $2\frac{1}{2}$ per cent of \$100.

The advantage is in the inducement the stamps give for buying \$100 worth of merchandise at the issuing store. The stamps cannot be redeemed until that amount has been purchased. But the \$2.50 purchasing power of the stamps does not represent an actual discount of $2\frac{1}{2}$ per cent, for the store delivers merchandise at its full retail value, so that when the cost of the merchandise at wholesale is considered, the real discount is about $1\frac{1}{2}$ per cent.

To take a concrete illustration, a woman in the course of six months buys \$100 worth of merchandise at Jones Brothers Department Store. Jones Brothers issue coupons with a value of $2\frac{1}{2}$ per cent of the purchases, so that the woman has accumulated \$2.50 in rebates on her purchases. She takes this and buys from the store—where the coupons must be redeemed—an umbrella worth at retail \$2.50. But as the umbrella cost the store at wholesale over one-third less, or \$1.50, the actual cost of the premium system is $1\frac{1}{2}$ per cent of \$100.

If a store or manufacturer does not maintain its own premium department, the coupons or stamps are redeemable at a premium clearing house, where the range of selection is wide. As a rule it is best to afford the coupon collector the opportunity to redeem in other commodities than the ones on which the coupons were issued. Thus The United Profit-

Sharing Coupons are redeemed now by a corporation entirely distinct from the United Cigar Stores, which also redeems wrappers for Spearmint gum and serves as a redemption bureau for many other manufacturers and distributors.

Premiums in the Competitive Field

Premiums undoubtedly create demand, but their chief use in a competitive field is in influencing selection. Where there are several papers in one field, the work is not so much to induce non-reading people to take your paper, as to influence readers of other papers to switch to your paper.

This necessity is particularly noticeable in the crowded soap industry, the tobacco industry, and the coffee industry, to mention only a trio of leaders. A housewife has several practically uniform baking powders, coffees, soaps, and other commodities from which to select. Alert sales managers saw that she could be influenced to select their brands by the use of an inducement, or premium, which amounts to a price discount or profit-sharing. And so they give her spoons, tableware, lace curtains, and a thousand and one articles, if she will save the wrappers, labels, or coupons.

The Premium Plan in Practice

Alert circulation managers have perceived the utility of the premium plan in selling subscriptions. Several thousand pocket knives that would retail at \$1 are bought for 33 cents each. They then truthfully offer the prospect a \$1 knife as a premium for buying a \$3 mail subscription. The prospect actually is getting a \$1 value, for that is what he would have to pay for the knife at retail.

At the same time, the paper is giving only 33 cents of its own resources, and that is the cost of getting the subscription, plus the solicitor's salary or commission. Frequently, a premium costing much less than 33 cents is effective. Novelties

as low in cost as 15 cents wholesale have proved sufficient inducement. When a paper gives premiums, it decreases the commission to the agent or solicitor. The Indianapolis News will allow a cash commission of 50 cents on its state edition at \$3, but if the solicitor uses a premium furnished by the paper, say a 3-piece knife set, only 25 cents commission is allowed.

This gives an inducement to the agent or solicitor to try to get a subscription first without a premium, because his commission will be double what it is with a premium. The paper, therefore, applies part of its regular cash commission toward the cost of the premium, and the remainder of the cost comes out of its own resources. One live paper that has come to the author's attention pays a solicitor a salary of \$25 a week the year round and furnishes him a premium which costs 25 cents. Its total selling expense will be under 25 per cent in the country, and even less in the city.

Advisability of the Premium Plan

It is argued against the premium plan that once it is started it must be continued forever. This is true, but it is true also of every form of advertising. The important thing to understand is that the true premium should come out of a paper's regular selling expense. Avoid the popular idea that it is actually a gift clear and above this regular selling expense. If a publisher decides that 35 per cent of the subscription price is the limit of selling expense he will approve, the circulation manager must then apportion this amount between the cost of the solicitor and the cost of a premium.

The experience of some papers which use premiums intelligently is that not over 38 per cent of the subscribers secured by premiums have to be offered new premiums in order to retain them—provided the paper is a good news product. In a highly competitive field where a subscriber has to be

weaned from one paper by the use of a premium, and the other paper is after his business on the same principle, the cost of the plan and the renewals will be a higher percentage than stated above.

A premium is a form of advertising. It will do what straight advertising often does not do, namely, cause one customer to advertise your product to a non-customer. A clock or a dinner set in the home is certain to be commented upon to all visitors, with mention of the paper that gave it, or offered it at a bargain price, with a subscription. The same amount of money in bill-board advertising will not have this cumulative pulling power.

A further illustration of the cumulative effect of a premium is seen in the fact that the buyer can get more premiums by buying more merchandise. With newspapers, one purchase will result in a year's supply, or six months', or three months', so that customers are not interested in buying more of the same paper as they would be interested in buying more soap. Coupons frequently cause transient readers to continue to buy the paper longer than usual, simply to complete the number necessary to get the book or other article offered.

Selection of Premiums

On the point of quality, much sermonizing could be indulged. Many newspapers have suffered from using poor judgment in selecting premiums and have quit the plan in disgust. There are two general principles to bear in mind.

The first and foremost one is to choose a premium which will give satisfaction. If it does not, the reader will recollect the paper which gave it to him, with uncomplimentary thoughts and will usually advertise his dissatisfaction to his friends. The second principle is to choose a premium of a value that will not require too long a time, or too many coupons, to redeem, and so exhaust the buyer's patience. Periodical publishers

have put out book offers which required sixteen or more monthly payments, and there never was a person who did not get heartily sick of them before the payments were completed.

The Los Angeles Tribune, as already stated, gave a dinner set for yearly subscriptions. It was a 45-piece set, bought in car-load lots and a genuine bargain at the terms offered, namely, \$1 down and 15 cents a month for twelve months, or \$1.80, making the total cost to the subscriber \$2.80 above the regular subscription price of 45 cents a month. This premium was delivered upon the signing of an order, and the small monthly payment was hardly felt by the subscriber.

The souvenir state seal spoons used by many papers are effective because of their cumulative nature, though it takes a whole year to complete the set, giving one out each week. Here the moving influence is the collecting mania which is in everybody in some degree.

A list of articles that have been used by newspapers as premiums would occupy a book. Ponies, jewelry, sad irons (a Philadelphia paper sold a whole train load), building lots, cabinet photographs, cook books, cutlery, baseball outfits, phonographs, safety razors, and so on through almost every article that interests men or women, might be mentioned.

Gratifying results have been obtained with almost as wide a list by the coupon-and-cash scheme. The desire for a library in every home makes a book a good inducement, and The Brooklyn Eagle has followed a definite policy with this idea in mind. Where the collecting of the premium can be made a fad, the paper is fortunate.

Novelties make excellent premiums. They stir the imagination, and even if they have a comparatively short life, they produce enough satisfaction to prevent a flare-back. Novelties are especially good premiums for men. Women, particularly housewives, find staples more attractive when they help to equip some part of the home.

Clubbing offers with other periodicals are effective premiums with some readers, notably farmers, who are glad to get a farm journal along with the daily newspaper. But in the main, the premium should be radically different from the article with which it is given. The housekeeper wants spoons as premiums with her coffee — not more coffee. People who buy newspapers do not want more reading matter as a premium so much as they do a brass ash tray or an enlarged portrait.

In this connection, circulation managers must use discretion in selecting premiums so that advertisers will not be offended. As has been stated, when books are used as premiums they are ordinarily those which are not for sale in bookstores, but newspapers occasionally find it necessary to compete with their advertisers on some of the premiums used. Sometimes a paper has not been able to get a certain line of dealers to advertise, and then the commodity these dealers handle can be used effectively. Many papers use premiums in the country and not in the city, for the country trade is not so directly in competition with advertisers as the city distribution.

In selecting a premium, it must always be borne in mind that it must not represent a gift of more than 50 per cent of the subscription price, as the post-office department will not recognize as legitimate the subscribers obtained at a greater selling expense. This feature of the premium system is treated more fully in Chapter XVIII, "Postal Regulations."

The Premium as a Means of Approach

As a means of getting into a home, a premium is unexcelled. When the door opens upon a man with a newspaper in his hand, or nothing at all, the suspicious housekeeper, or office man, instinctively bristles in antagonism. But if he holds a beautiful clock, fountain pen, picture, or aluminum stewpan, curiosity will generally get the better of antagonism.

Before he says anything, the something-for-nothing, or bargain instinct, has done its work. "You will be interested in this aluminum ware The Evening Howl is giving away absolutely free," and the solicitor is in the hall or at the desk talking both the paper and the premium in spite of an undercurrent of opposition.

The secret of success lies in "getting the drop" on the prospect; in taking him by surprise and getting your selling talk started before he can shut it off; in attracting his attention through some side issue, or in that general atmosphere of "individuality" which causes people to be interested in spite of themselves. High-class solicitors never employ strong-arm methods of approach.

It is hopeless to expect solicitors to keep the paper most prominent in their sales talk when they have a good premium in hand, but they can be trained to the idea of never leaving a customer until he has been shown the good points of the paper and convinced that he has gotten his full money's worth in the paper itself. This will make a renewal without a premium easier to get.

Premiums for Mail Subscriptions

Subscriptions can be obtained by mail with a carefully planned follow-up system, holding the premium in reserve to bring orders from those who do not respond to plain solicitation by letter.

"If premiums are used in the city," says L. L. Ricketts of The Des Moines Capital, "the transaction should be completed at once by the delivery of the premium, so that the subscribers will not be inquiring of the carrier boys when to expect it." In country solicitation, subscribers are sometimes given coupons good for the premium when presented at the publication office, or the premiums are used on a delivered basis.

CHAPTER XV

CONTESTS

Psychology of the Contest

As with premiums, opinions on the advisability of contests for circulation differ widely among circulation managers and publishers. But contests have become a standard promotion method and are unquestionably here to stay.

The mistakes in conducting contests are more responsible for the opposition to them than the principle involved. No trait of human nature is more universally in evidence than the love of a game, a conflict, a contest. It is an old truism that competition (contest) is the life of trade.

Sports would cease if it were not for the contest element. A crowd at a baseball game, a cock fight, or golf match is interested in the effort to win which the players are making. The prize here is victory, but it is quite as tangible in its inducing power as an automobile. The whole theory of the contest is just this quality of inducing power—inducing people to supreme exertion.

If the imagination, or the desire, of a person can be aroused, or stimulated, he will go the limit to achieve. The same is true of a team of athletes, of a corps of carriers or salesmen, and may be extended in its application on up to the whole community. When it has been extended to the crowd, or community, it becomes the circulation contest.

To induce people to act in unison in accomplishing your purpose is the great genius of leadership in any direction. Napoleon possessed this quality as a soldier, Roosevelt as a

politician, John D. Rockefeller as a business man. In the last instance, the inducing power was in enlisting for the benefit of one oil company, the oil-buying capacities of a nation.

The Contest Idea in Salesmanship

Sales managers under the necessity of meeting keen competition, quickly perceived the value of the contest idea as applied to selling. At first it was used among salesmen, and the results were startling. A contest for the largest annual sales, with a gold watch as a prize, caused the members of the force to exert themselves far beyond any standard theretofore considered normal.

Circulation managers searching for new schemes soon saw the value of the same idea among carriers, solicitors, and agents. They made a game, or contest, of work, and hung up prizes which induced an amount of energy and exertion which they had not supposed was in the boys and men. A contest puts some imagination into prosaic work by making it a game. The laurel wreath has never lost its potency as an inducer of exertion.

Sidney D. Long, a veteran circulation manager, of The Wichita Eagle, has expressed the opinion that for stirring up a whole community, and invigorating a paper's circulation, nothing has been devised that equals a subscription contest. The same testimony is heard from every quarter.

This does not mean that the contest as a sales method has no drawbacks. Advocates of the method make the mistake of claiming perfection, while its opponents make the mistake of denying any merit. There is room for considerable honest difference of opinion on the question of whether a method which increases circulation from 40 to 60 per cent and even higher, in a few months, is a healthy promotion method. The position to be taken here is, as stated, that the whole value hinges on the manner of application of the method.

Bad aftermaths undoubtedly have followed many circulation contests. Sore spots were made which the papers did not live down. Other harmful consequences have followed, some due to poor judgment, and others to outright crookedness. The latter consequences have given the worst reputation to contests, but certainly they do not constitute a valid objection to the principle. That contests should be absolutely honest is undebatable.

A contest carefully conceived, conscientiously conducted, and competently concluded has advantages which far outweigh the disadvantages. When a whole community has been thoroughly aroused and the home stretch has been exciting, with the best man or woman the winner, and the whole event crowned with a grand awarding of the prizes in the opera house, a newspaper is better off in every way.

If the paper is a good newspaper, 80 per cent of the new business should be retained. A mediocre paper, however, regardless of how circulation is obtained, will find a disappointing slump in subscriptions after every great effort. The trouble is not in the promotion methods, which frequently pile up circulation for inferior papers, but in the paper itself. A circulation manager clever enough to build circulation, and not clever enough to show the publisher how to hold it, will serve many masters.

Nothing equals a contest for producing large results in a short time. Premiums are effective but they are slower in results because the paper is working on an individual basis, whereas in a contest a whole community is reached at one speaking. When a person has invested in a subscription, he takes a permanent interest in the contest to see whether he "put his money on the winner." Thus every sale cumulates interest.

Even in a city like New York where the papers know little or nothing of the people who buy them — because the transient

street sales so largely predominate — contests have been successful. The New York Evening Mail added 20,000 circulation with a booklovers' contest. This sort of contest is educational, as are many others run by newspapers.

Among periodicals, Life is particularly successful in utilizing the contest principle. In 1915 a contest over a title to a picture produced 121,000 replies.

Timeliness in Contests

Contests as a selling method are not applicable the year round. They should not be started in the summer when people are feeling the lassitude of heat. Besides, if the prizes are European or other trips, the contest should end at the beginning of summer so that school teachers and others who figure most frequently in contests, may have opportunity to utilize the prizes.

A contest for a European trip can be started in the early autumn, with the trip to be taken the following summer; but postponing the actual awarding of prizes is unwise. A contest started in the late winter, to end about June, will bring the conclusion at a favorable time. To open or close a contest at a holiday season, such as Christmas or Easter, is undesirable.

If the contest includes rural population, due attention must be given to make it fit in with the farmers' leisure. Coming at planting or harvest times, a contest will have to work against adverse conditions. Before any contest is started, an examination of the general industrial situation should be made, to determine whether or not the people are financially able to yield the desired volume of money in subscriptions.

Contest Details

Frequently a contest embraces both city and country. In this case the territory is divided into districts, with a separate

list of prizes for each district. To keep interest from lagging, and to stimulate contestants to greater exertions, special prizes are given at different stages of the contest, and these really constitute a contest within a contest.

Experience has shown that contests which interest women are the most successful. In the first place, women can wheedle men into doing nearly anything. They can smile sweetly and a man will dig up a subscription just as if he really enjoyed doing so. And inasmuch as he is getting value for his money, he is not necessarily being sold something he will not want.

A contest causes the members of a community to advance \$10,000 or \$60,000 to a newspaper for a product that is to be delivered in the future, from six months to two years or more. They pay in advance merely to give some young women an immediate prize or trip. The newspaper practically says to a community: "If you will pay up in advance for so much business, we will send to Europe anybody you select."

The wise circulation manager will be on the alert to prevent cut prices in such contests. If cutting is done, the renewal business will be most difficult and expensive. A customer never likes to pay more for a renewal than for the original subscription. It is better, if the price is to be cut, to put the discount into the form of a premium.

By making the payments of subscriptions in arrears good for votes or points in the contest, a newspaper can collect many accounts which no other method had succeeded in collecting. Where contestants are raking the field with a fine tooth comb they are certain to make a lot of bad accounts yield face value.

Some publishers who had held successful contests and found their bank balances suddenly swollen, disposed of the surplus unwisely, and became pinched before circulation revenue began coming in again. Many publishers who have obligations to meet and slight credit at the bank, have employed contests to raise funds to tide them over crises. As

paid-in-advance circulation is considered by advertisers and publishers the best kind of circulation, the effect of a contest in this respect is highly desirable.

A subscriber new to the paper, who has been sold for six months or longer, has ample time to become acquainted with it. Even if he had a prejudice against it before, it is likely to possess features to his liking and a renewal will not be so difficult to obtain. Contests will put the paper in homes into which all previous efforts have failed to succeed in effecting an entrance.

During the life of a contest, the community is talking about the paper and the standing of the contestants, with speculations on the winner. This is why it is extremely bad for a contest to leave the slightest grounds for doubting fair play. When you set everybody talking about your product, it behooves you to have that talk complimentary. The advertising a newspaper receives from a contest is a valuable consideration aside from the sales.

The popularity contest in all its forms seems to be the most effective. But this is merely a convenient name to give the contest, as the prizes invariably are the attraction, and "prize contest" would be more accurate as a title. Young women who are competing in a popularity contest for an automobile or a trip to Europe give very little thought to the distinction of being the most popular person, but a great deal of thought to the prizes.

Next to women, contests for children or babies are most effective. Men hitherto have shown a reluctance to enter contests where they must solicit for themselves, though men will get behind a woman's candidacy in most efficient and enthusiastic fashion.

It is probably impossible to prevent contestants, toward the finish, from investing their own money in subscriptions, but it should be discouraged and held down to the minimum,

for when such contestants lose, a festering spot is created. Where the prize list is particularly large and attractive, this trouble is especially noticeable, but cautious management will restrain it.

Cost of Contests

The expert contest manager is the one who can get maximum returns from the lowest expenditure for prizes. A paper which announces prizes worth, for example, \$7,500 or \$18,000, in automobiles, rings, pianos, or trips, will invest nothing like such amounts, because the commodities are bought at wholesale prices, or in exchange for advertising space. This brings down the cost of the prizes to the newspaper as much as 50 per cent of the regular retail selling price. Still, regardless of private cost, the value of the prizes as advertised by the paper to contestants is true, since the latter could not buy them for less in the open market.

Prizes run in cost from 8 to 20 per cent of the cash receipts of the contest. The terms which can be made with contest companies vary, though ordinarily they exact 25 per cent of all new subscriptions and from 10 to 15 per cent of renewals and collections. Extra workers and expenses incident to the contest, and the recent practice of giving unsuccessful contestants 10 per cent of the money they turn in, increase the cost of the contest as a circulation builder to 50 per cent of the receipts, where conservatively managed. If bungled, the publisher simply swaps dollars. Some companies will conduct contests without guarantees and for a percentage of the receipts.

The importance of contracting with a thoroughly experienced, financially responsible, and high-standing contest company cannot be emphasized too strongly. A cheap company will have cheap contest managers who will resort to shady methods, especially if their profits depend exclusively upon

the results produced. They are the kind that discredit the contest as a selling method.

Numerous circulation managers have so mastered the principles of the contest that they themselves put them on for their papers, with large success and at a comparatively low cost. However, the circulation manager who has not been through a contest and who is not well up on the principles, is likely to pay expensively for the mistakes he is certain to make in managing the contest himself. As a rule, circulation managers have all they can do, and to add the management of a contest will result in neglect at some if not all other points.

The modern tendency is to arrange contests that allow some compensation to every contestant. In the case of some papers every contestant who does not win a prize is given a commission of 10 per cent on all the money he himself turns in. This increases the cost of a contest, but is made up in increased satisfaction among losing contestants, and goes well with Uncle Sam's post-office department, which is scrutinizing contests most critically nowadays.

Contests and Advertising Rates

A paper is fortunate if, along with the increased subscription list obtained by a contest, it can effect a raise in advertising rates. Where the advertising rates have been unreasonably low, a contest will often be advisable as a preliminary to a raise. To ask advertisers for more on the old circulation is next to impossible, but to back up a raise with a circulation increase of from 15 to 40 per cent makes this always difficult undertaking measurably easier. The new circulation is attractive because it is for long terms.

Forced Circulation

A contest undoubtedly causes people to make an immediate investment in the particular newspaper, larger than in the case

of voluntary subscription. To this extent circulation obtained by a contest is "forced" circulation. It is not, however, necessarily less desirable than the subscriptions which walk into the office uninvited. If people only bought what they actually wanted, American business would shrink in an amazing degree.

Successful merchandising creates demand, induces desire, and clinches resolve in people who had not given a thought to the article presented. Provided they get a real value for the money they part with under such manipulation, no harm is done. A person who buys a paper solely to help a contestant is not so good a subscriber as one who buys the paper for itself, but he will have time to grow to like the paper in most instances, and will read it for the express purpose of getting something for his money.

Frequency of Contests

Like everything else, contests as business stimulators are potent in proportion to the frequency with which they are employed. Oftener than once in two years for the same paper, or field, seems inadvisable. It usually takes that much time for many of the subscriptions to expire, and besides, such a stir as a contest creates in a community is too drastic, emotionally and financially, to be effective if constantly utilized. Once every three years, or even five years, has been the conservative rule in most cities.

But the contest is broadening so rapidly in its utility as a selling-plan that some of its effectiveness may be lost through sheer familiarity. Retail merchants are using the principle extensively, manufacturers are doing likewise, and the newspaper is indeed rare which is not placing before its readers some sort of contest. The advertising department works up a contest for one, or a combination of advertisers, the paper sells the space to exploit it at regular rates, and the reading crowd

is saving trade-marks or votes or reading the advertisements to win prizes for picking the best one. Thus The Chicago Tribune gave \$750 a week in cash prizes for two weeks to stimulate its women readers to study the advertisements. The contest was for picking the best and giving the reasons for the selection.

Special Place of the Contest

Whenever a slump in advertising or in circulation begins, the newspaper seeks a tonic. The contest principle in one of its myriad manifestations, is incomparable thus far; but circulation management is a progressive science, and tomorrow doubtless will see something new, in form if not in substance.

All plans of selling, whether through straight advertising, through premiums, through contests, or any other method, which seek business aggressively, must be continued once they are started. But this is the cost of modern merchandising, and the problem is to use these methods intelligently, economically, and honestly.

The truth is, selling as a science is fundamentally much like farming. The modern farmer knows that soil will wear out and that it must be fed, or stimulated, to keep up or to increase its productiveness. Hence, he uses fertilizers. Now, fertilizers in their relation to soil are like contests, premiums, and other selling methods in their relation to the public. The latter stimulate jaded buying capacities just as the fertilizers stimulate worn-out soils.

A farmer may use a ton of bone meal at \$25 on each acre of his corn field, and increase the yield from 40 to 60 bushels. He had to spend money to make money, but the expenditure is less, proportionably, than the revenue, and the operation was industrially sound. A circulation or advertising manager works upon the same principle. A farmer may use poor fertilizer and too much of it, and so lose money, and a circulation

manager may use poor premiums or too frequent contests and damage his paper as well as upset normal competitive conditions. However, the abuse of a method must be distinguished from the method itself, and when this is done, much opposition to modern selling methods will vanish.

The publisher who dreams of an ideal state where the people who want his product, voluntarily come and buy it, and weigh carefully the merits of competitive products before buying, who introduces resolutions in conventions against premiums, contests, and similar selling policies, is right just to the extent that fraud enters into the practical application of these policies, but he is hopelessly left at the post in the race for business when they are applied according to the Golden Rule.

CHAPTER XVI

THE SUNDAY PAPER, SPECIAL EDITIONS, AND SUPPLEMENTS

1. The Sunday Paper

Why does a newspaper running from 10 to 22 pages on week-days expand to 60 pages or more, and increase its circulation as much as 75 per cent, on Sunday?

The answer is, people have leisure to read advertising on Sunday.

In other words, merchants, manufacturers, and distributors saw the merchandising possibilities of the Sabbath leisure, and capitalized this leisure in the Sunday newspaper.

Laymen may assume that the Sunday newspaper has more space for advertising because it carries so much more news and feature reading. As a matter of fact, the extra news and special features really are carried because the paper has so much more advertising patronage and the displays must be sandwiched with reading matter.

Reduce the extra volume of advertising on Sunday, and the comic section, the magazine section, and the beautiful picture supplements would disappear. Publishers, it is true, try to make their newspapers possess special news and feature attractions on Sunday, but they do this mainly to collect a larger audience for the advertisers. The Sunday newspaper now is a weekly periodical appearing on Sunday with a news section as the excuse for publication on the Sabbath.

The Sunday Newspaper and the Magazine

More and more the Sunday newspaper is taking on the form of a periodical and losing the form of a newspaper. It

has fiction, it has scientific articles, it has a general literary miscellany, it has pictorial sections—in short, it covers as wide a range as *The Saturday Evening Post* and many subjects which that periodical cannot handle. Furthermore, there runs all through it a timeliness and an up-to-the-minute quality which the regular periodical does not attain.

Circulation managers encounter practically the same selling problems in marketing the Sunday paper that the circulation managers of weekly periodicals, like *Collier's*, face. In fact, a modern Sunday newspaper is a direct competitor of the weekly periodicals. The *New York Tribune*, recognizing the magazine nature of the Sunday paper, employed a former editor of *Good Housekeeping* to edit its Sunday issue. The *New York Times* engaged a former editor of *The Century Magazine* to edit its European War supplements. The positions of Sunday newspaper editor and magazine editor are therefore interchangeable.

Circulation Limitations of the Sunday Edition

Because the Sunday edition has developed into more than a local news sheet, it has a cosmopolitan appeal and a distribution that is bounded only by the necessity of having it on sale Sunday. It differs from periodicals in that its life is limited substantially to one day. The Monday papers crowd it out of the way.

The chief requirement of Sunday circulation is to have the paper on sale Sunday morning, for in the afternoon people are out-of-doors or engaged in social diversions. In New York this is especially noticeable. All day Sunday, people are browsing among the Sunday papers, but most of the reading is accomplished in the morning hours. Sunday morning must then see the Sunday edition on sale, and this is the consideration that limits Sunday circulation.

Chicago Sunday papers, to cite one city, are on sale 500

miles and farther from the publishing center. To cover this distance so that the paper will be on sale on Sunday morning, or some time during Sunday, it is necessary to print some editions Saturday morning or afternoon. Thus the news section has little that was not in the last evening newspaper editions, and purchasers of Sunday papers in distant points are influenced solely by the magazine phase.

Within the city of publication the buyers receive Sunday papers with news as late as 2 or 3 o'clock in the morning. The state, or foreign city distribution, receives the early editions mentioned. Louisville, Ky., is 300 miles from Chicago, yet Chicago Sunday papers are on sale Saturday night in Louisville.

Advertising in the Sunday Edition

The Sunday advertising keeps many American morning papers from failure. It might be said that it keeps all morning papers from failure, but the idea is suggested here merely to indicate how very slim the week-day patronage really is. This emphasizes the assertion on a preceding page, that advertisers spread themselves on Sunday when the readers have leisure to listen to a longer sales talk. Evening newspapers customarily carry a large volume of advertising because they also reach the reader at a time when he has his greatest leisure.

The value to local advertisers of distribution outside the retail trading radius was discussed in Chapter X. It is going to be increasingly difficult to sell such circulation to local advertisers at the same rate as home circulation, though the foreign advertisers may continue to support such distribution.

At present, publishers are taking the periodical, rather than the newspaper, conception of the Sunday edition, and are seeking circulation anywhere. Foreign advertisers, therefore, in using city Sunday papers are influenced by the same considerations that would cause them to use any weekly periodical of widespread circulation. If they use the local papers in the

smaller towns covered by the big Sunday editions, they are buying duplicate circulation.

Also the modern tendency of newspapers to use bill-boards, car cards, electric signs, advertising in other papers and in magazines — in fact, every medium of publicity — has educated people to examine all papers, and not only to leave one paper for another, but to buy more than one. It is a common sight to see three or four Sunday newspapers in one city home. The advertisers will have to determine for themselves the value of this duplication.

Selling the Sunday Edition

While the price most generally is 5 cents, in many towns the Sunday papers now sell at 6, 7, or 8 cents. The local agents must pay 3 cents a copy as a minimum, and $3\frac{1}{2}$ and even 4 cents in some instances. If the agent pays 3 cents, he sells the paper to the boys at 4 cents, and they in turn sell it to the public at 5 cents, showing a penny profit to both agent and carrier.

Paducah, Ky., as shown by the diagram on page 123, is so located as to afford a typical illustration of selling methods. Here one agent represents 15 newspapers published in St. Louis, Chicago, Louisville, Cincinnati, Nashville, and Memphis. With a population of 25,000, at least one-fourth of which are negroes, the sales of these 15 Sunday papers still reach the astonishing total of 3,000 copies. The St. Louis Post-Dispatch is far in the lead with nearly 2,000 a Sunday.

This agent has from 25 to 30 boys selling on Sunday morning, and every block in the city is covered before noon, affording every person the opportunity to buy. If the weather is bad, the sales are much larger than upon a pleasant day, because bad weather keeps people indoors. These 3,000 Sunday papers come by express and mail, some properly assembled and

others in sections. Magazine and comic sections sometimes arrive on Friday or Saturday.

A few of the papers allow full returns, others 5 per cent, and one or two, like The Chicago Tribune, no returns. If the agent must pay 3 cents for the papers, he sells them to the boys at 4 cents, allowing them 1 cent profit. Some boys sell 200 papers in about two hours, making \$2. This pays them better than anything else they could do. Besides the boys, the agent has substations in drug stores and on prominent corners.

The agent is under a bond to each of the papers he represents, and makes monthly settlements. The week-day circulation of the papers falls to about one-eighth of the Sunday sales, which emphasizes the assertion that people buy Sunday papers for their magazine features. The Chicago Tribune sends its agents 50-word telegrams on Saturday morning, boosting some new feature and asking for larger orders. All of the papers regularly canvass the city for the agent. The St. Louis Post-Dispatch gives delivery carts for use by the boys if the agent's orders show a definite increase each week for certain periods. The carts have the paper's name on all sides and are substantial in appearance.

While Paducah is an unusually good Sunday sales point, the same proportionate distribution is going on in every city or town which can be reached by these 15 papers, and, of course, by any other metropolitan papers. Foreign circulation like this is what enables the papers to flaunt big figures in the eyes of advertisers.

If the sales average 3,000 copies a Sunday in Paducah, it means that its people invest \$150 a week in newspapers aside from the two local papers, one of which also has a Sunday edition. This is at the rate of \$600 a month of four Sundays, and \$750 a month of five Sundays. Three-fifths of this amount, or 3 cents a copy, goes out of town to the papers,

making the monthly check of the agent to all 15 papers from \$360 to \$450.

Where, as in the case of The Chicago Tribune, a no-returns policy is enforced, the agent must be cautious in ordering, for he pays $3\frac{1}{2}$ cents a copy and one unsold copy will kill the profits on three papers sold. The agent has a record of each boy's weekly sales, and so has a fairly accurate estimating basis for ordering. If he could foresee the weather, his profits would be larger because bad weather means increased sales. The routine work of collections, handling the boys, attention to complaints, stops, etc., is like similar work in any city.

Just why The St. Louis Post-Dispatch has been able to get such a "bulge" on the other papers selling in Paducah is explained in a number of ways. In the first place, the boys make a full cent in selling The Post-Dispatch and only $\frac{1}{2}$ cent in selling The Chicago Tribune, and naturally push the paper with the larger profit. Besides, the editorial policy of The Post-Dispatch (owned by the Pulitzers of The New York World) seems to suit the average mentality of the city. The fact that so many copies of The Post-Dispatch are sold where there is a local Sunday paper, emphasizes the duplication of circulation which foreign advertisers, using both papers, buy.

Selling the Sunday paper involves all the methods heretofore described for dailies, with special emphasis upon advertising. The World, The American, and other New York papers use bill-boards, elevated, subway, and street-car cards, and space in rival papers to swing patronage to their Sunday editions. The New York Times keeps within its own columns as a rule.

The St. Louis Post-Dispatch is a newspaper which has an energetic circulation department, and spends much money in seeking circulation in all towns and cities that can be reached by Sunday forenoon. When, early in 1915, The Post-Dispatch made arrangements to use a pictorial supplement printed by

the Roto-gravure process, featured so successfully by The New York Times, the public in surrounding towns was informed of the fact through display advertisements in the local papers. Similarly, when this and other Sunday papers competing in these smaller towns get a notable piece of fiction by a celebrated author, a new moving picture serial, or any feature of unusual interest, they use the local papers to increase the sales.

The action of The New York Press in reducing its Sunday edition to a minimum of 24 pages, and the price from 5 cents to 1 cent, is an experiment which has not been tried in the New York field in twenty years. The great bulk of the modern Sunday paper and the cost of producing it will cause many publishers to work out ways of holding down the size without sacrificing the reader's interest in the amount of reading matter carried. The experiment cited is more radical than the average publisher will try for the immediate present.

Sunday Circulations

The Chicago Tribune, with about 550,000 Sunday circulation at the beginning of 1915, had the second largest Sunday circulation in America. The New York Sunday American was first with more than 800,000. The American falls heir on Sunday to The New York Evening Journal's extensive week-day circulation, since both are Hearst newspapers.

Sometimes a paper which is not of the strongest during the week, will show a remarkable spurt on Sunday. This is illustrated by The Philadelphia Press, which has a conspicuously larger Sunday circulation than it has during the week, and eclipses papers which beat it regularly every week-day morning. On the other hand, the Sunday edition will sometimes show a remarkable falling off, as in the case of The Boston Post, which, with the largest week-day morning circulation in America, 460,000, falls to 325,000 on Sunday (January, 1915, figures used)—a decrease of 135,000 copies.

Of the first type is The Chicago Tribune, which has 320,000 week-day circulation, and an increase on Sunday of 230,000 copies. Taking city by city, variations like the foregoing will be found all over the country, but the natural circulation position a paper should have is that of The Tribune rather than that of The Boston Post — that is, the Sunday circulation normally should exceed the week-day circulation. Where it does not, some other paper simply has a brighter Sunday editor, or this other paper's Sunday personality meets the average taste more closely.

2. Special Editions

The special edition is largely an expansion or outgrowth of the special feature, and the same principles apply. The advertising department takes the chief interest in special editions because they afford the opportunity to sell more space, but they have also a positive circulation value in that they center public interest upon a paper.

The annual automobile number will get the attention of those particularly interested, and so bring the paper before one class of non-readers. The alert circulation manager directs his selling activities into this channel while the opportunity lasts. Then come along the summer resort number, the school number, the autumn real estate number, spring fashion number, various anniversary numbers, and so on.

The preparation of special editions, aside from advertising, will be in the hands of the editorial department exclusively, but the circulation manager need not sit back and wait until the edition is off the press before beginning to take an interest in it. His knowledge of the field and of the particular class appealed to with reference to the paper's strength or weakness among that class, should enable him to give useful hints on features, and even to suggest titles for special editions.

If a paper decides to specialize on school news, for instance,

a good send-off for the news department is a special edition that will give the circulation manager an impressive product to place before teachers and parents. A circulation manager who wants home circulation will tell the publisher where the paper is weak in this respect, and will advise the strengthening of the department, or the creation of a new one.

The suffrage number of *The New York Evening Post*, which has been commented upon elsewhere, shows the possibilities from a circulation viewpoint of special editions. The double pull upon circulation and advertising makes special editions desirable, but if they come too frequently they are a drain upon the advertisers. Some papers label every Sunday edition a special edition of some kind, but the true special edition is one which eclipses all the paper's editorial and advertising records and becomes a way-mark in the paper's history. Such special editions are worth-while circulation builders.

3. Supplements

The New York Times is a leading example of the circulation value of supplements. Its weekly Book Review is one of the country's foremost literary critical journals, and as such lends a prestige to *The Times* that is valuable in its circulation effect among people who follow the book output.

The Annalist is a more recent trade journal issued weekly as a supplement to *The Times'* excellent daily financial and business news. *The Times* thus makes a special appeal to the commercial side of New York, the business Mecca of America. The subscription price is \$5 a year, and the readers know that their money is going into thoroughly well-written, authoritative articles.

When the European War broke out, *The Times* issued notable supplements on the diplomatic correspondence leading up to the war, and then began the publication of a mid-week war pictorial, using the Roto-gravure process of printing.

This supplement sold widely and had a significant circulation value.

Then the paper began the publication of "The Times Current History of the European War," along lines which permitted the making of a permanent magazine, if desired. It contained more than 200 pages, and used Roto-gravure.

The Times Quarterly Index is a publication which affords ready reference to current news, and appeals to libraries or individuals who have any reason for referring to newspaper files.

Here are four distinct supplements (The Book Review being the only one given away with The Times) which are elaborations of the daily departments of every newspaper. They exist not only on their own merits, but as subsidiary enterprises are circulation feeders of the paper itself.

If The Times had required its readers to buy these supplements, the circulation effect would have been negative instead of affirmative, because many persons are content with the daily news departments at one cent.

The New York Evening Mail and The New York Evening Post issue Saturday magazine supplements which, with the paper, sell at 5 cents. Here, in a limited sense, the reader is required to buy the magazine in order to get the paper. The newsboys and dealers push the combination because their profits are larger than on the paper alone. In the case of The Mail or other evening papers using such supplements, the circulation is depressed considerably on Saturdays because people feel that they must invest 5 cents in order to get The Mail. This is equally true of The Post.

There are, of course, compensatory advantages in a supplement which make up for the decreased sale. A six-day paper without a Sunday edition has many readers who like to wind up the week with something more than the regular edition. The magazine supplement supplies this need, and inasmuch as

such supplements are usually made up of attractive fiction, feature, and art productions, the paper receives prestige from their distribution.

The tendency in the larger cities is for evening papers to take advantage of the decreased advertising on Saturday to give their readers an increased volume of news and feature articles. The stage and moving pictures receive enlarged consideration, as do fiction and serial stories. Having done this, the evening papers leave supplements and magazines to the Sunday papers.

For the Sunday papers, syndicates furnish magazine supplements like *The Associated Sunday Magazine*, weekly, and *The American Illustrated Sunday Magazine*, monthly. The comic and pictorial sections also are supplied to the papers by syndicates, leaving the papers to print only such sections as use regular white news paper and black ink.

CHAPTER XVII

CIRCULATION ACCOUNTING

Uniform Accounting for Newspapers

This statement to the author by Russell R. Whitman, managing director of the Audit Bureau of Circulations, is a lucid summary of accounting conditions in American newspaper offices :

The Bureau is at work upon standardized accounting systems and records that we can furnish the various publications, so their books may be kept efficiently, economically, and what is of great importance from our standpoint, uniformly.

This practice is being compiled with the assistance of our field auditors, as well as our office auditors, but has not been perfected. The matter is one of extreme importance to every publisher and the work of the Bureau so far has emphasized to a startling degree the absolute lack of intelligent and practical circulation systems and records in most offices.

The Bureau is confident that the installation of such systems and records will not only enable the Bureau's auditors to verify circulations much more quickly and accurately, but will also save the publishers annually thousands and thousands of dollars.

Simplicity is what the average publisher wants, especially the smaller publisher, and he gets scared at anything that looks at all complex or involved. It will be the Bureau's aim to perfect circulation book-keeping systems for the various classes of publications that will meet their requirements and also the Bureau's requirements, and yet be as simple as possible. As you know, the simple things are oftentimes the difficult things to achieve. We believe that our work in this connection will be of immense benefit to every publisher and will constitute real service.

The Bureau hopes to make the publishing business the most uniform and best standardized of any business in the country, and while this is a big undertaking, we have made such a splendid start that we will absolutely achieve this result eventually.

Present Condition of Circulation Accounting

That the views expressed above are shared by the competent circulation managers of America is proved by the attitude of the members of the International Circulation Managers' Association, who, in their 1915 convention approved the work of the Audit Bureau and are awaiting eagerly its results. W. M. Inman, circulation manager of The Chicago News, in a paper upon circulation accounting declared that practice is so varied that he would forego a discussion in detail of present accounting records and forms, and recommended the foregoing decision of the convention.

Perhaps the most graphic evidence of "the absolute lack of intelligent and practical circulation systems and records," was a statement made to the members of the Audit Bureau at their convention in June, 1915, that it took the A. B. C. auditor four weeks to get one publisher's list in shape so that it would be possible to figure the amount of paper stock consumed!

Every office, of course, has its book-keeping system but they seldom yield the exhaustive information required in the Bureau's reports. As for a system of cost accounting which regularly and comprehensively places before the circulation manager the answers to such questions as those propounded in Chapter V, none exists except in the largest metropolitan offices whose operations are on such a vast scale that they could not do business without as modern accounting as big manufacturers in other lines.

To a rapidly passing type of circulation manager the business office represents simply the source of his pay enve-

lope. How the publisher keeps books, what accounting principles are in vogue, and what relation they have to his department, concern him little or not at all. But the spirit of progress evident in all other phases of circulation management has reached the business office and, as Mr. Whitman prophesies, will place publishing in this respect at par.

Effects of Audit Bureau Circulation Requirements

The author had the opportunity of discussing with the publisher of a comparatively small daily the revolutionary effects of the Audit Bureau requirements in his office. When he first perused the questions contained in the report-form he felt as helpless as a country postmaster making out his first quarterly report to the Government.

Somewhere in the heterogeneous records of the office was the answer to many of the questions, but collating the data was a task that taxed the accounting ability of the whole organization, with some outside help. Other questions involved data which he had never thought it was essential to keep.

Since then, he has modified his book-keeping and enlarged it until he not only can make out the Bureau's reports, but every month, every day in fact, he knows for his own benefit the status of his circulation in a manner that makes him wonder why he ever previously thought he knew what the business was doing.

Here, then, is indeed one of the chief benefits of the Audit Bureau to any publisher. If it did no more than to change his slipshod, inadequate, book-keeping methods to up-to-date and comprehensive accounting, it would be worth many times the cost of membership. In addition, as pointed out in earlier chapters, the new standard yields to advertisers the information about circulation which they insist upon having before buying space.

Analysis of Circulation Accounting

By studying the report-forms of the Audit Bureau, the standardized accounting toward which newspapers are advancing will become apparent. The information required may be summarized as follows:

1. Population of the city (corporate limits) and of the retail trading radius outside.
2. Total net paid circulation; total distribution including unpaid circulation: each classified according to distribution by carriers, newsdealers, agents, street sales, counter sales and by mail.
3. Circulation statement by editors and time of issue.
4. Figures given in the last Government report.
5. Area of the retail trading territory and eight largest towns in it.
6. List of all subscription rates and price per single copy.
7. The policy as to returns; as to premiums; as to canvassers on salary or commission; as to subscriptions raised by clubs and clubbing with other publications; as to the percentage of daily paid circulation sold in bulk to others than newsdealers; as to contests; as to other promotion methods; as to the kind and value of premiums used; as to the percentage of city circulation and of country circulation delivered through the paper's own carriers or independent carriers.
8. The condition of subscription collections, classified into paid-in-advance, on delivery weekly and monthly, and the arrears under and over one year in city, suburban, and country divisions.
9. The character of advertising excluded and the telegraphic and other news service used.

This detailed analysis of circulation revenue and promotion costs is the result of the new conception of circulation as a commodity which progressive advertisers will not buy on its

face value. They must know grades, qualities, ingredients and methods as well as quantity and price.

There is, moreover, much other data relative to costs that the circulation manager should have at his finger tips. In its intricate development a circulation cost accounting system would show the expense of operating the mailing room as a whole and the expense per copy; the cost of obtaining renewals or new business; the cost of subscriptions obtained by premiums, contests, straight soliciting and other methods; in short, where only guesses now are made, scientific figures would be available.

It is not the purpose to go exhaustively into actual book-keeping practice, in this chapter, for the reason given by Mr. Inman and the Audit Bureau, namely, that practice is too unsettled for conclusions to be announced now. That is to say, practice for the average office is yet undetermined, though, of course, the metropolitan papers doing a total advertising and circulation business in the millions have kept abreast of modern accounting methods. The eventual standardized practice which is the goal of the Audit Bureau will be an inestimable boon to the average organization. In the meantime any newspaper can take a forward step by engaging a competent public accountant to plan a set of books.

Forms Used in Circulation Accounting

For keeping accounts with dealers and agents the loose leaf ledger form used by The Louisville Courier-Journal is a simple and comprehensive record.

In handling sales to newsboys, The Courier-Journal requires cash payments. There is a superintendent in charge of the newsboys' department and he is given a definite number of papers daily, say 5,000 or 10,000, and is charged with these papers. At the end of the day he reports upon the num-

ber drawn, the number left over, and the amount of cash received for the papers sold.

The Portland Oregonian uses a larger sheet which contains a numerical list of its carrier boys and is arranged to show those who draw at the office and those who receive their copies by special delivery, and in each case the number drawn and the cost. It is a complete and accurate record.

Much of the information needed to give the circulation manager a grasp of the financial details of his department is contained in the daily, weekly, and monthly reports of carriers, district managers, agents, newsdealers, solicitors and other members of the force. The tabulation and recording of this data is most desirable and the books and methods used vary in nearly every office. The principal thing is to record it in a manner which will make it accessible and to profit by the information it yields day by day and in summary.

A simple and effective tab may be kept upon collections by the use of cards. Under one method each collector turns in daily a card upon which is shown the number of subscribers paying weekly, the number paid in advance, the dead-heads, and the total of all these classes under the collector's jurisdiction with the amount collected. A file of these daily cards may be kept, or the data transferred to a permanent book record.

Routine of Handling Subscriptions

The course of an individual subscription through the business office of The Indianapolis News and thence to the mailing room is an example of efficiency that will be described in some detail.

Individual subscriptions are received either direct or through agents and are turned over to the subscription department. The order, if accompanied by a remittance, goes

to the department cashier who stamps upon it the date received, amount received, and form of remittance. It then goes to the subscription recorder, who enters it in the cash book, giving it a serial number which follows the subscription through all subsequent operations until it expires.

The recorder's books give the name, address, edition, duration of subscription, amount paid, and how received. The total of the recorder's cash record must agree with that of the cashier. The subscription then passes to the card-index clerk who examines the records to determine if it is new, or a renewal, or from a delinquent subscriber. No card being found in the files, the order is considered new and is then given to the galley clerk, who places the name on the galley proof which also serves as a duplicate record.

The galley, a proof of which is taken once a month, is kept in loose-leaf book form and changes are made therein from day to day, practically providing an up-to-date mailing list in route form by towns, rural routes, and train runs. Under this system the number of subscribers on any given train, or in any town or district may be ascertained quickly.

While the galley shows the subscription list in route form, the card index provides an alphabetical list of subscribers by name, so that a double check is provided. If a subscriber's name is known and not his address, the latter can be traced easily by referring to the card index, which gives name, address, date of entry, serial number, expiration date, and how the order was received. On the other hand, if only the address, and not the name is known, the galley clerk can locate the subscription readily.

After the galley clerk has made the proper entry, and placed the galley number and expiration date on the order, it passes to the typograph operator who makes the zinc plate bearing all necessary information — galley number, subscriber's name, rural route or street number, town, state, serial

number, and expiration date. The finished plate is laid aside until the end of the day, when a proof of all is taken and cards are made and checked with the original order and other book-keeping entries. The plate then is placed in the galley pan under the proper routing, and the pan goes into the cabinet and is ready for the mailing machine.

If the original order is new, the operator makes out a card for the subscription book-keeper from the zinc plate, which gives a complete record; if a renewal, the old card is attached to the order, showing the new entry. The original subscription is then filed in numerical order according to serial number and in the card index file by name of the subscriber.

If desirable, a subscription proof card can be filed according to expiration dates so that on a given date all the subscriptions which expire on that day can be "killed" from the cards. This obviates the trouble of going over the entire galley proof book, or the plates, to find them.

In the event of the destruction of any part of the records by fire or otherwise it is reasonable to presume that some units of the system would remain and provide means of immediate duplication of the original outfit. Part of the subscription records are kept in fireproof vaults.

The Mailing Room

The subscription now is ready for the mailing room and the beginning of service to the subscriber. Mechanical efficiency in handling newspaper mail has increased notably in the last few years, and The News has kept abreast of the times, operating two Cox Multi-Mailers, each capable of mailing from 10,000 to 12,000 copies an hour. As The News has 25,000 individual subscribers who receive the paper by mail, it can handle the entire mail in an hour or an hour and a half, at great economies in time, labor, and cost over the old system.

Under the system of mailing by hand, many errors were

made, such as labels being cut in two, being lost from lack of paste, from too much paste, sticking together and so not getting upon the paper, and from being illegible. These errors irritate subscribers and thus hurt the paper.

The machine eliminates these errors. It will not pass a paper through without its address or an address without a paper. One operator is sufficient for any paper up to forty pages. The machine will turn out papers in half-fold or quarter-fold, and divide them by towns in club packages. The address is printed upon the upper right hand border of each paper, insuring delivery should the wrapper tear off or be separated from the package.

For any mailing list up to 40,000, eight clerks are required and with two or three additional clerks the list could be expanded to 75,000. The management of the machine is not intricate. One operator places the papers in the hopper, inserts the address plates and removes those that have done service. The machine automatically does the rest of the work.

This operator and the machine take the place of four or five men under the hand method of handling club packages, and the place of from ten to fifteen men in handling single copies. When handling single subscriptions a bag-boy is required as an assistant to change sacks; for club packages two hand-bundlers are required, but in both instances the assistance required is less than half of that employed under the old system. Besides, to become expert at hand-stamping formerly required three months' training. Aside from the saving in labor and time the chief benefit is in the increased accuracy, which assures perfect and expeditious service.

An addressing machine is part of the mechanical equipment of every up-to-date office. It prints the proof of the entire subscription list, prints record cards for filing, and also will address envelopes for promotion work. With this machine subscribers who have quit can be solicited by mail economically

because envelope addressing can be done, and mailing subscription literature prepared, quickly and accurately.

Speed, accuracy and regularity are the features of mail service which impress subscribers, and the circulation department which achieves them has a strangle hold on competition.

CHAPTER XVIII

POSTAL REGULATIONS AS TO SECOND-CLASS MAIL

The Publisher and the Post-Office

“When in doubt, consult the post-office!”

This is the safest advice that can be given in circulation work, and if it had been followed consistently, many beautiful promotion schemes would have been saved from rude jolts or utter annihilation.

The post-office department is growing more exacting every year in its regulations designed to safeguard the public from fraudulent or one-sided business offers. Honest promotion schemes, or those conceived by honest persons with the best intentions in the world, should not be launched without the department's O. K., as otherwise an edition may be tied up in the mails and a penalty follow.

The Third Assistant Postmaster-General is the official in charge of the second class of mail matter, which is limited to newspapers and periodicals. Form 3500, issued by his division, contains all the regulations concerning second-class matter, and may be obtained upon request. A leaflet on the postal lottery and fraud statutes of the United States may be obtained from the Solicitor for the post-office.

Regulations as to Contests, Premiums, and Promotion Schemes

With regard to contests, premiums, and other promotion schemes, the post-office has the following to say:

The methods of a publisher in fixing the price of his publication or in inducing subscriptions by giving of premiums, prizes, or other considerations, or by clubbing his paper with other papers, or by commissions upon subscriptions obtained by agents, will be carefully scrutinized in respect of their effect upon the legitimacy of the subscription list as a whole and upon the question of the primary design of the publication.

Newspapers and other publications in transit which contain lottery advertisements or lists of prizes drawn at a lottery shall be held and a report made to the Assistant Attorney-General for the Post-Office Department for instructions.

As a general rule, subscriptions obtained in connection with a combination offer, premium, reduction in the advertised price, or other extraneous inducement which effects a reduction of more than 50 per cent of the regular advertised subscription price of the publication are regarded as at a nominal rate and persons to whom copies are sent in fulfillment of such alleged subscriptions may not be included in the "legitimate list of subscribers" required by the law.

It is well to take this and all other statements from the post-office seriously. The Federal prisons are filled with men who thought they could outwit Uncle Sam. Contest companies as a rule may be relied upon to offer only schemes which have been tested, and it is with regard to his own original contests which a publisher or circulation manager should be wary.

Section 213 of the Penal Laws of the United States contains the following reference to newspapers:

No newspaper, circular, pamphlet, or publication of any kind containing any advertisement of any lottery, gift enterprise, or scheme, of any kind offering prizes dependent in whole or in part upon lot or chance, or containing any list of the prizes drawn or awarded by means of any such lottery, gift enterprise, or scheme, whether said list contains any part or all such prizes, shall be deposited in or carried by the mails of the United States or be delivered by any postmaster or letter carrier.

The penalty for violation of this statute is a fine of not more than \$1,000, or imprisonment for not more than two years. There is another section of the Penal Laws which provides that any person or persons who engage in a business to defraud shall be denied the use of the mails and shall be otherwise punished.

The emphasis seems to be placed by the post-office on the element of chance in any contest or promotion scheme. If it smacks of a lottery, or raffle, it cannot get by. The terms of the contest must be stated clearly, it must be open to all on equal terms, the manner of deciding the contest and the judges must be announced, and the time for which the contest shall run must be stated — to mention four leading requirements.

But no private interpretation of the law like this is conclusive, because the post-office is broadening its own rulings and is making unlawful tomorrow schemes that look well today. When the new plan is ready, submit it to the postmaster of your city and obtain his approval.

Coupons

Coupons used by newspapers or periodicals in subscription or advertising schemes come under the same general provisions as contests, namely, that they must not be part of any lottery, and they must not mislead readers in their expectations. The use of the word "Free" has been prohibited by the post-office when used in coupons and, in general, the object and value of the coupon must be stated plainly on its face.

Papers may use coupons which, when accompanied by cash, entitle the reader to a value or a service. It is permissible, for example, to offer a dictionary for six coupons and 69 cents. But before inserting a coupon which relates to any prize scheme, or proposition involving chance, the post-office authorities should be consulted and the full details of the plan be

given. Where no prize is involved, the regulations are as follows :

Coupons, order forms, and other matter intended for detachment and subsequent use may be included in permanently attached advertisements, or elsewhere, in newspapers and periodicals, provided they constitute only an incidental feature of such publications and are not of such character, or used to such extent, as to destroy the statutory characteristics of second-class publications, or to bring them within the prohibition of the statute denying the second-class rates of postage to publications "designed primarily for advertising purposes," or to give to them the characteristics of books or other third-class matter.

Postal Definitions

The post-office gives the following definitions of newspapers and periodicals :

A "newspaper" is held to be a publication regularly issued at stated intervals of not longer than one week and having the characteristics of second-class matter prescribed by statute.

A "periodical" is held to be a publication regularly issued at stated intervals less frequently than weekly and having the characteristics of second-class matter prescribed by statute.

A "legitimate list of subscribers" to a newspaper or periodical is defined as a list of :

(a) Such persons as have subscribed for the publication for a definite time, either by themselves or by another on their behalf, and have paid or promised to pay for it a substantial sum as compared with the advertised subscription price.

(b) News agents and newsboys purchasing copies for resale.

(c) Purchasers of copies over the publisher's counter.

(d) The receivers of *bona fide* gift copies, duly accepted,

given for their benefit and not to promote the interests of the donor.

(e) Other publishers to whom exchanges are mailed, one copy for another.

(f) Advertisers receiving one copy each in proof of the insertion of their advertisements.

Sample Copies

The "legitimate list of subscribers" is liberal, and is notably so when considered in connection with the allowance of sample copies. A paper may mail as sample copies, at the cent-a-pound rate, 10 per cent of the total number of copies issued to the foregoing list of subscribers. This means, for instance, that The New York Evening Journal with an average circulation of 800,000 daily, may send 80,000 copies as sample copies at the cent-a-pound rate. Sample copies in excess of this 10 per cent must go at the transient rate of 4 ounces for one cent.

Other main provisions as to sample copies require that they be marked as such on the outside of the wrapper, that not more than three copies be mailed to one address in one year, and that they be sent for the purpose of inducing people to subscribe for, advertise in, or become agents for the publication. News agents cannot mail sample copies at the cent-a-pound rate.

Mailing Cost of Second-Class Matter

The Act of March 3, 1885, reduced the postage on second-class matter from two to one cent a pound, and this was followed by the great expansion in periodical literature. While a return to the two-cent rate, which is agitated in Congress, would not be accompanied by a wholesale reduction in the number of second-class publications, it would have a marked effect upon subscription prices, and upon papers selling at one cent. Weak papers would suffer, but the mail business is not

so vital to newspapers as to periodicals, many of which would suspend because the public would not pay more for them than is now asked. An increase to two cents a pound would cost the Curtis Publishing Company alone \$600,000 a year more than present postage bills.

Newspapers are not allowed to deliver in the city of publication at the one-cent-a-pound rate. If they were, the carrier system would disappear overnight, provided the post-office carriers were required to distribute at the time papers are off the press. To illustrate, a 32-page evening paper, if it weighs two copies to the pound, could be delivered at the one-cent-a-pound rate for 312 days at a cost of \$1.56; while as the weight or size of the paper decreases, the mailing cost decreases correspondingly, so that an 8-page paper could be delivered for 39 cents, or less, a year. The carrier service, on the other hand, is \$2.08 for the same period, for any paper regardless of its size.

The post-office, for the express purpose of "heading off" any such use of the cent-a-pound rate, charges a flat delivery rate of one cent a copy for any newspaper in the city of publication, which makes the cost \$3.12 a year, or \$3.65 a year, and so is prohibitive. In cities other than the city of publication, the cent-a-pound rate is allowed with carrier delivery. Thus, The Kansas City Star is charged one cent a copy for delivery by mail in Kansas City, whereas it will be delivered by letter carrier in Manila, or Alaska, or Bar Harbor, Me., at the cent-a-pound rate.

Newspapers and periodicals enjoy the one-cent rate to Mexico, Cuba, and Panama, among foreign countries, and to Canada also if issued as often as six times a week. They may, of course, have the same rate to any United States possessions, including Hawaii, Porto Rico, the Philippines, the islands of Guam and Tutuila, the Canal Zone, and the United States postal agency at Shanghai, China.

News Agents' Mailing Rates

News agents are persons, including newsboys, engaged in business as newsdealers or sellers of publications of the second class. If a person restricts himself to advancing the interests of a single publication, he is not a "news agent" within the meaning of the law, but shall be regarded as a mere local agent of the publisher, and not entitled to the "news agent's" mailing privileges.

Under the postal regulations, a paper may send copies in bulk to news agents, and the agents then may remail these copies at the cent-a-pound rate. Any person other than a news agent, who remails a newspaper or periodical, pays at the rate of one cent for each 4 ounces. However, when news agents return unsold copies, they cannot use the cent-a-pound rate, but must pay at the transient rate required of persons remailing second-class matter. If news agents return only the headings of newspapers, they must pay the third-class rate of one cent for 2 ounces.

Credit Renewals

As regards papers sent to a subscriber beyond the period for which his subscription has been paid, the regulations are as follows:

The right of publishers to extend in good faith credit on subscriptions is recognized and will not be abridged, and although all subscriptions are regarded as expiring with the period for which they were obtained, nevertheless, in order to give an opportunity to secure renewals, copies of their publications will be accepted for mailing as to subscribers at the usual second-class rates of postage for a period of one year from the date of expiration, but copies sent to persons after one year from the date of the expiration of their subscriptions, unless such subscriptions be expressly renewed for a definite time together with an actual payment of subscription or a bona fide promise of payment, will not be accepted at the pound rate but will be accepted at the transient second-class rate of one cent for each four ounces, or fraction thereof, prepaid by stamps affixed.

The import of this regulation is that a newspaper can collect arrears for one year only by a suit at law, provided the subscriber has not specifically forbidden the delivery of the paper at the expiration of his subscription. An Ohio judge recently awarded a paper a judgment for arrears on this principle. To come within the law, there must be, however, a tacit understanding between the subscriber and the publisher that the paper is to continue after expiration.

Handling the Outgoing Mail

Most circulation managers understand the necessity, and the great advantage, of carefully sorting mail by states, routes, or cities, before delivering to the post-office, but it should be emphasized here as one of the most important acts in giving good service to subscribers. When a sack of mail not so sorted reaches a post-office, the clerks simply throw it aside until they are at leisure, and subscribers get their papers a day or so late.

Separate sacks or bundles must be made of sample copies, copies entitled to free county circulation, and copies at the cent-a-pound rate. Five or more copies to one town must be tied together, with the name of the town outside; if there are 30 pieces weighing 15 pounds or more (periodicals usually), they must be put in a separate sack. Where the mail to any one point can be put in one sack, a great saving of time in handling is made.

Keeping on Good Terms with the Post-Office

To be on good terms with the post-office is the best advice that can be given to a circulation department. It is also good advice for any department of a newspaper.

There was considerable opposition among newspapers when the law requiring a statement of circulation, and of the names of the editors, owners, and stockholders, and also requiring

reading notices to be labelled "advertisements," was proposed; and yet it was a reasonable regulation of the press and has worked much benefit in higher standards of honesty in circulation work. The statements must be made twice a year, April 1 and October 1.

It has not been the intention in this chapter to touch other than the high points in postal regulations. The main purpose is to emphasize the importance of knowing the regulations and living up to them to the letter, even though the post-office may be long-suffering and full of mercy.

FORMS ¹

- I. Forms Relating to Subscriptions and Deliveries
- II. Forms Relating to Collections
- III. Forms of Reports
- IV. Rules, Regulations, and Association Forms
- V. Detailed Instructions to Solicitors
- VI. Forms Relating to Accounts
- VII. Miscellaneous Forms

¹ Dimensions given in captions of forms show the sizes of originals. First dimension is width of form; second dimension, height.

I. FORMS RELATING TO SUBSCRIPTIONS AND DELIVERIES

<p>THIS CONTRACT IS FOR NEW SUBSCRIBERS ONLY WHO</p> <p>PAY NO MONEY TO SOLICITOR</p> <p>Date..... Start.....</p> <p>THE OREGONIAN:</p> <p>Please have The Oregonian delivered to me at the address given below for a period of 3 months or longer at your regular rate of 75c per month, which I agree to pay at regular intervals to your authorized carrier. I am not now a subscriber to The Oregonian nor have I been for the past 30 days.</p> <p>In consideration of giving this order I am to receive choice of premiums mentioned on attached coupon.</p> <p>Signed</p> <p>Street No.</p> <p>Between St. and St.</p> <p>Solicitor Contract No.</p>	<p>AGREE TO TAKE OREGONIAN FOR AT LEAST 3 MOS.</p> <p>PAY NO MONEY TO SOLICITOR</p> <p style="text-align: center;">The Oregonian</p> <p>Mr Address</p> <p>Has this day signed a contract agreeing to subscribe for THE DAILY and SUNDAY OREGONIAN for the next 3 months and thereafter until ordered discontinued. In consideration of giving this order the above named subscriber will be given upon presentation of this coupon, choice of following premiums:</p> <p>One European War Atlas.....15c Extra One Three-Piece Aluminum Set.....85c Extra One Aluminum Coffee Percolator.....\$1.25 Extra One Eighteen Piece Silver Set.....\$1.25 Extra One 34-Piece Dinner Set.....\$2.95 Extra</p> <p>Solicitor..... Date.....</p>
--	---

Form I. Subscription Blank. Form used by The Portland Oregonian. Size, 8 1/4 x 4 inches.

<div style="display: flex; justify-content: space-between;"> <div style="text-align: center;"> VERIFY THIS ORDER AT ONCE </div> <div style="text-align: center;"> START DELIVERY IMMEDIATELY </div> </div>											
No. Months		Date				Route No.					
Name											
Address											
Taken By					Premium			Contract No.			
Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Stopped										Reason	

Form 2. Order to Start Delivery. This constitutes a leaf in the route book of a carrier of The Portland Oregonian. It contains spaces for noting collections.

No. 2998 19	No. 2998 19	No. 2998 19	No. 2998 19
To Carrier:	Record No.	Station	District Man.
<div style="border: 1px solid black; padding: 5px; display: inline-block; margin-bottom: 10px;"> TRUST FUND ACCOUNT. New, . . . \$ O. K. </div>			
Please deliver THE INDIANAPOLIS NEWS until further notice to Mr.			
and collect at the regular rate, 10 cents per week, from the subscriber unless otherwise directed.			
Order taken by Hon.			
THE INDIANAPOLIS NEWS, City Circulator Department.			
Subscriber's Signature			
Date			
Remarks:			

Form 3. Subscriber's Receipt for First Copy. Size 9 $\frac{1}{4}$ x4 inches.

WE WANT PERFECT DELIVERY CARRIERS	
Bad Delivery	PAPER SENT
COMPLAINT	PAPER DRAWN
Date _____	
Name _____	Address _____
_____	_____
_____	_____
NOTICE If you are sure you left this paper, it must have been stolen. Therefore, call on party and make proper arrangements to leave paper in a safe, dry place. Complaints are not necessary. Live wires don't have them.	

Form 4. Bad Delivery Complaint. Filled out by carrier. Form used by the Portland Oregonian. Size, 5½x3½ inches.

COMPLAINT SLIP.	
	_____191_____
Mr. _____	
COMPLAINED TO THIS OFFICE THAT	

<p>PLEASE GIVE THIS MATTER YOUR IMMEDIATE ATTENTION. CALL ON THE SUBSCRIBER AND EXPLAIN. ALSO REPORT ON THE REVERSE SIDE OF THIS SLIP WHAT ACTION YOU HAVE TAKEN TO REMEDY THIS COMPLAINT, AND RETURN IT TO OUR OFFICE THROUGH YOUR SUBSTATION.</p> <p style="text-align: right;">THE INDIANAPOLIS NEWS. CITY CIRCULATION DEPARTMENT</p> <p>FOR CARRIER.</p> <p style="font-size: small;">FORM 100</p>	

Form 5. Complaint Slip. For carrier. Size, 5x3½ inches.

<h1 style="margin: 0;">STOP</h1> <p style="margin: 5px 0;">Daily and Sunday Oregonian</p>	<p>Date _____</p>	<div style="border: 1px solid black; padding: 5px; text-align: center;">Carrier</div>
<p>Name _____</p>		
<p>Address _____</p>		
<p>Between _____ and _____ St.</p>		
<p>Reason _____</p>		
<p> It is to your advantage to have as many subscribers as possible. See the above party at once and endeavor to secure a renewal.</p>		

Form 6. Stop Order Blank. Form used by The Portland Oregonian. Size, 5½x3 inches.

Stop Order

.....191..

Name .. .

Address .. .

Reason .. .

.....

Stations Bulletined.....

.....

How Received

By Whom

.....

Carrier's Signature.

Record No..... Station.....

O. K.

Districtman.

Carrier's Stop Order

Please stop The News now being delivered
by you to

Mr.

.....

Reason

.....

THE INDIANAPOLIS NEWS,
City Circulation Dept.

Form 7. Stop Order Blank. Size, 3 $\frac{5}{8}$ x7 $\frac{1}{2}$ inches.

<p>Orders for the State Edition will not be filled for people who live in towns where we have agents who make delivery to houses or places of business.</p>		<p>Send this part to The News, Indianapolis, Ind.</p>	
<p>ORDER Filled <u>191</u></p>		<p>THE INDIANAPOLIS NEWS Please send The Indianapolis News (Mornin' or Evenin') to the following address:</p>	
<p>Name _____ Town _____ R. F. D. _____ State _____ for a period of _____ { YEAR MONTHS WEEKS } Begin Subscription _____ Amount collected, \$ _____ Amount sent to you, _____</p>		<p>Received of _____ 191 Address _____ Amount _____ For a subscription to _____ edition of The Indianapolis News and for a period of _____ { YEAR MONTHS WEEKS } from date _____</p>	
<p>191</p>		<p>Agent _____ (Read other side)</p>	

AGENT'S MEMO

191

Name _____
Town _____
R. F. D. _____
State _____
and _____
(Give name of other paper here)
Length of Subscription _____
Amount Collected, \$ _____
Amount remitted, _____

WRITE NOTHING IN THIS SPACE.

Serial No. _____
Amount _____
Date _____
Sub. Expires _____
Checked _____

Subscription Solicitors must confirm their efforts in Rural Routes and other remote localities where The News is not represented by an agent.

Form 9. Rural Solicitor's Order Blank. Size, 10x4½ inches.

		Reasons below are given by carriers, and upon verification are usually found correct.																										. 191.					
		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	Cl	N	Ri	Total		
Reason for Stopping																																	
SUN																																	
STAR																																	
Changed Carriers																																	
Out of City																																	
Moved																																	
Out of Work																																	
Poor Pay																																	
Can't Afford																																	
Sickness in Family																																	
No Reason Given																																	
Poor Service																																	
Late Delivery																																	
Don't Like News																																	
No Time to Read																																	
Total at each station																																	
							</																										

Route No.			
Address			
Date	Taken By	Months Term	
Premium		Date delivered or rec'd.	
Stopped	Office	Carrier	Contract No.
Reason for Stop			

over

Form 13. Subscription Index Card. Form used by The Portland Oregonian. Size, 5x3 inches.

Name and Address <div style="text-align: center; padding-top: 10px;"> L4 C W MCGUIRE HOTEL DEL PRADO CHICAGO ILL 59379-AUG-5-15 </div>					How Ordered <div style="border: 1px solid black; padding: 2px;">1</div> <div style="border: 1px solid black; padding: 2px;">2</div> <div style="border: 1px solid black; padding: 2px;">3</div> <div style="border: 1px solid black; padding: 2px;">4</div> <div style="border: 1px solid black; padding: 2px;">5</div> Remarks:		
Date Paid	Serial No.	Cash	Com'n.	Combinations	Sub Expires	Killed	
1							
2							
3							
4							
5							

Form 14. Subscription Index Card. Form used by The Indianapolis News. Size, 5x3 inches.

II. FORMS RELATING TO COLLECTIONS

Amount..... Date.....

Name

.....

If paper is not delivered regularly notify us at once.
MAIN 7070—A 6095

Mr.

.....

For Subscription to

The Oregonian

DAILY and SUNDAY

20c Per Week, 75c Per Month

.....MonthsWeeks

From191..

To191..

Amount.....

NOTE—We feel it only justice to inform our subscribers that all our Carriers are obliged to settle for their papers weekly, and any failure on the part of subscribers to pay is a direct loss to them. Please bear in mind the amount is small in each individual case, but in the aggregate a serious matter for the Carrier that serves you.

Received Payment.....

Carrier. Route No.....

Date191..

PRESERVE THIS RECEIPT.

Form 15. Carrier's Receipt for Collections. Form used by The Portland Oregonian. Size, 3x6¼ inches.

Began Collection Day

1914

RECEIPT CARD

The Indianapolis News

28 and 30 West Washington Street
Indianapolis, Indiana

Old Main 4900—TELEPHONES—New 2600

Name

Address

Name of Carrier

Station Record No.

Payment Received to Date Signed or Punched

JANUARY, 1914 3 10 17 24 31	NOTICE TO SUBSCRIBERS You will confer a favor by preserving this card and returning it to the carrier at the time a payment is made—thus preventing any possible misunderstanding about settlements. If for any reason you cannot return this card to the carrier, please inform us by postal card or telephone. Respectfully, THE INDIANAPOLIS NEWS	JULY, 1914 4 11 18 25
FEBRUARY 7 14 21 28		AUGUST 1 8 15 22 29
MARCH 7 14 21 23		SEPTEMBER 5 12 19 26
APRIL 4 11 18 25		OCTOBER 3 10 17 24 31
MAY 2 9 16 23 30		NOVEMBER 7 14 21 28
JUNE 6 13 20 27		DECEMBER 5 12 19 26

Form 16. Carrier's Receipt for Collections—Continuing Form. Size, 2¾x5½ inches.

EXAMPLE

	Feb. 6	Feb. 13	Feb. 20	Feb. 27	Mar. 6	Mar. 13	Mar. 20	Mar. 27	Apr. 3	Apr. 10	Apr. 17	Apr. 24	May 1	May 8
1. S. E. Sanders, 1601 N. Meridian St.	— 10	— 20	Pd 30 10	Pd 10	Pd 10	Pd 10	Pd 10	— 10	— 20	— 30	5/ 40	— 15	Pd 25	
2. O. W. Canfield, 402 E. 16th St.			— 5	Pd 15	Pd 10	Pd 10	Pd 10	Pd 10	Pd 10	Pd 10				

Each square represents one week, ten cents. Fill in date at top so that all subscribers fall due on Saturday of each week. Example No. 1 shows that S. E. Sanders began Monday, February 1, and will owe ten cents Saturday, February 6. The — shows that you called for pay but did not receive it. You then write 20 in the next square, as amount due the next Saturday, February 13. If for satisfactory reasons he again fails to pay, 30 cents will be due in the next square, and so on as long as you feel safe to carry it.

No. 2 shows that O. W. Canfield began in the middle of the week, Thursday, February, 18, hence 5 cents was due Saturday, February 20, and not being paid was carried over to the next week, February 27, making 15 cents due. Always keep accounts up to date and exact.

EXPLANATION OF TERMS AND SIGNS IN EXAMPLE

— indicates that you called but made no collection.


Pd. in upper part of square shows account paid to date at top of column.

/ diagonal line shows part paid and figure above, is balance due on that date and is added to the next week.

Do not carry accounts in your head—it ought to be a storehouse for other things

III. FORMS OF REPORTS

N

NEWSPAPER FORM FOR DAILY AND SUNDAY NOT INCLUDING WEEKLY EDITIONS	
Publishers Quarterly Statement Subject to Annual Verification by Audit Bureau of Circulations Railway Exchange Bldg., Chicago	

1. Name of Publication.
2. City.....
3. State.....4. Year Estab.....
5. This statement for the three months, JULY, AUG., SEPT., 1914
6. Published every morning, evening and Sunday except

7. Population, City (Corporate Limits) Last U. S. Census..... Present Estimate.....

" Trading Territory (Total City and Suburban).....

8. Give below daily average circulation for period covered by Section 5, above, after all returns are deducted:

DISTRIBUTION	MORNING	EVENING	SUNDAY
*CITY NET PAID			
Carriers			
Newsdealers			
Street Sales			
Counter Sales			
Total Net Paid—City . .			
*SUBURBAN NET PAID			
Suburban Carriers . . .			
Suburban Agents and Newsdealers . . .			
Suburban Mail Subs . .			
Total Net Paid—Suburban			
Total City and Sub'n ^{Net} Paid			
COUNTRY NET PAID			
Country Newsdealers . .			
Country Mail Subs. . . .			
Total Net Paid—Country .			
TOTAL NET PAID . . .			
UNPAID			
Employees, Correspondents and Service			
Office Use and Office Files			
Advs. and Adv. Agts. . . .			
Exchanges and Complimentary			
Sample Copies			
Total Free Copies			
TOTAL DISTRIBUTION . .			

*City refers to corporate limits, Suburban is the trading territory—see also item 16.

Copyright, 1914, by Audit Bureau of Circulations.

Form 1

Form 18. Quarterly Statement to Audit Bureau of Circulations. First page of the report, showing the distribution by city, suburban, and country, and unpaid. Size, 8x11 inches.

- Form 1

Form 19. Quarterly Statement to Bureau of Circulations. Third page of the report, showing the exhaustive nature of the inquiry into circulation methods. Size, 8x11 inches.

District Man's Daily Report							
Weather _____		Temperature _____		191 _____			
Station	Edition	No. Received	Left 6 p. m.	Time of Arrival	No. "Leaves"	No. "Stops"	Changes
	Fourth						To
	Last						To
	Extra						To
	B. B. Extra						To
Supplies Needed _____							
Suggestions _____							
Arrived at my station at.....p. m. Reported off duty and left.....p. m.							
Station	Edition	No. Received	Left 6 p. m.	Time of Arrival	No. "Leaves"	No. "Stops"	Changes
	Fourth						To
	Last						To
	Extra						To
	B. B. Extra						To
Supplies Needed _____							
Suggestions _____							
Station	Edition	No. Received	Left 6 p. m.	Time of Arrival	No. "Leaves"	No. "Stops"	Changes
	Fourth						To
	Last						To
	Extra						To
	B. B. Extra						To
Supplies Needed _____							
Suggestions _____							
Work done a. m. _____							

Work done p. m. _____							

<div style="display: flex; justify-content: space-between;"> (Write names of new subscribers secured on other side if necessary to complete report.) District Man. </div>							

Form 20. District Man's Daily Report. Form used by The Indianapolis News. Size, 8½x11 inches.

DISTRICTMEN'S DAILY CALL SHEET				
Weather.....		Reporting Time.....191.		
Districtman.	Station	A. M.		P. M.
.....	A.	.....	.....	.....
.....	B.	.....	.....	.....
.....	C.	.....	.....	.....
.....	D.	.....	.....	.....
.....	E.	.....	.....	.....
.....	F.	.....	.....	.....
.....	G.	.....	.....	.....
.....	H.	.....	.....	.....
.....	P.	.....	.....	.....
.....	Q.	.....	.....	.....
.....	R.	.....	.....	.....
.....	S.	.....	.....	.....
.....	T.	.....	.....	.....
.....	X.	.....	.....	.....
.....	Cen.	.....	.....	.....
.....	Nth.	.....	.....	.....
.....	
.....	

Form 21. District Men's Daily Call Sheet. Form used by The Indianapolis News. Size, 7x14 inches.

____ 191__ 1987

Name _____

Street _____

STOPPED NEWS

For **Star**—Reason _____

For **Sun**—Reason _____

For Other Reasons _____

Result of 2nd Call 191

Result of 3rd Call 191

3rd Call 1987

____ 191__

Name _____

Street _____

Stopped News for **Star** _____

Stopped News for **Sun** _____

Reason: _____

Result of 3d Call

2nd Call 1987

____ 191__

Name _____

Street _____

Stopped News. for **Star** _____

Stopped News for **Sun** _____

Reason: _____

Result of 2nd Call

Write on other side if necessary

Form 22. District Man's Report on Stopped Subscription. Form is made in three parts (on one sheet and perforated) and shows results of efforts to obtain renewal. Size, 11 $\frac{1}{4}$ x 3 inches.

RURAL SOLICITOR'S DAILY REPORT

Town..... County.....

Weather..... 191..

Number of cash orders..... Amount collected \$.....

Number of credit or note orders.....

Collected on note orders..... \$.....

Total cash \$.....

Amount of signed notes..... \$.....

Total business for the day, cash and credit..... \$.....

Canvassed on Route No.....

Called on and solicited..... people.

Which Indianapolis paper is strongest?.....

To your knowledge is any other solicitor canvassing the above route now?

When was the route canvassed last?.....

By whom and for what paper?.....

Remarks

Signed.....
Solicitor.

Write on other side, if necessary to complete report. Do not send communications on separate sheets of paper.

Form 23. Rural Solicitor's Daily Report. Form used by The Indianapolis News. Size, 6x10 inches.

RURAL SOLICITORS' TOWN REPORT.

Town.....191. County.....

This report is to be filled out when canvass of town is completed.

Postmaster's name

Does he or his assistant take News subscriptions?.....

Is he friendly to The News?.....

If not, why?.....

Does he or his assistant take subscriptions for other Indianapolis newspapers?

Name them

How many rural routes

Names of substitute mail carriers

NAMES OF RURAL CARRIERS.

Route No.	Carrier.	State here whether carrier is friendly or unfriendly.
.....
.....
.....
.....

.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

This route was last canvassed

on.....191

Solicitor.

Form 24. Rural Solicitor's Town Report. Form used by The Indianapolis News. Size, 6x10 inches.

RURAL SOLICITOR'S WEEKLY REPORT.

.....County

Week Ending.....191

Solicitor.....

Date	Town	Route No.	Amount of Cash Collected	Amount of Notes Accepted	Total Amt. of Cash and Notes	No. of Orders 1 Year	Weather
Monday							
Tuesday							
Wednesday							
Thursday							
Friday							
Saturday							
Total							

SUPPLIES ON HAND

Charter	Wrenches	Tools	Knives	Special Maps	Xmas Cards	Miscellaneous	Miscellaneous

EXPENSE ACCOUNT

THE NEWS does not pay living expenses for solicitors. Only expense to be paid by THE INDIANAPOLIS NEWS should be itemized below and if properly incurred, according to our instructions, will be added to your salary check.
All mileage books must be returned when not in use.

Items	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total
Remittance fees							
Transportation							
Total							

*Miscellaneous expense must be itemized below.

LIVERY BILLS

Liveryman	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total
Total							

ITEMIZED EXPENSES INCLUDED ABOVE

NOTE—Solicitors must not pay livery bills. Checks for such expense will be mailed direct from this office, upon receipt of liveryman's bill, properly O. K'd by the solicitor. If solicitor furnishes his own livery, he will enter the expense therefor in the proper place for livery expense.

The Lines Below Are for Our Exclusive Use.

Extensions O. K.

Expenses O. K.

Salary \$.....

Expenses \$.....

Total \$.....

Paid by check: No.

Form 25. Rural Solicitor's Weekly Report. Size, 7½x11½ inches.

Town..... State..... Date..... 19.....

Mr. has turned over to me the names of subscribers.

which I accept. I now have.....regular subscribers.

Make my standing order.....daily.....Ex. Saturday.....Ex. Sunday.....

Signed.....Agent.

NOTICE TO AGENTS—Do not accept from traveling men subscribers who are, to your knowledge, not good pay. They have instructions to turn over to you only first-class business. Read the above order carefully before you sign your name.

I secured subscribers.

I appointed as agent.....

In place of.....

Commence charging him for papers.....

I will be at..... on 19.....

I will be at..... oh.....19

I will be at on 19.....

I will be at on 19.....

COLLECTIONS MADE HERE AS FOLLOWS:

[illegible]

REMARKS

[illegible]

Traveling Representative.

IF NECESSARY, WRITE ON OTHER SIDE.

Form 26. *Traveling Representative's Daily Report. Form used by The Indianapolis News. Size, 8x10½ inches.*

[illegible]

Form 27. *Traveling Representative's Weekly Report.* Size, $8\frac{1}{4} \times 11\frac{3}{4}$ inches.

Daily Report for Indiana						
Weather _____		Temperature _____			191 _____	
REPORT ON ARRIVAL OF PAPERS						
Edition	No. Rec'd	Due to arrive	Time of arrival	Left over yesterday	How received—Mail, Express or Traction	If delayed give reason if possible
Fourth						
Fifth						
Sixth						
Last						
Night Ex						
B. B. Extra						
State						
Extra						
BUNDLES RECEIVED HERE TO BE TRANSFERRED TO CONNECTING LINES.						
Bundles for following towns	Edition	Transferred to	Leaving here A. M. P. M.		Decrease my order	Increase my order
1						
2						
3						
4						
5						
NEWS STOPS AND REASONS GIVEN BY SUBSCRIBERS						
1						
2					Supplies Needed	
3						
4						
5						
6						
THIS SPACE IS TO BE USED ONLY FOR TOWNS WHERE WE HAVE A COMBINATION WITH A LOCAL PAPER						
Press/Started	P. M.	New Subscribers			Stops	
Run Completed	P. M.	News alone			News alone	
Carriers all out		Other paper alone			Other paper alone	
Papers Charged to Un.		Both papers			Both papers	
City		Remarks				
Country						
Total						
Work done a. m. Subscribers secured		Complaints investigated			Stops run down	
Work done p. m.						
<small>Use other side for suggestions, criticisms and general remarks.</small>						<small>Special Agent</small>

Form 28. Special Agent's Daily Report. Form used by The Indianapolis News. Size, 8½x11¼ inches.

Form 1489 Indianapolis News Agency at.....Indiana Week Ending.....191..														
	Monday		Tuesday		Wednesday		Thursday		Friday		Saturday		Total	
Distribution	Reg.	BBX.	Reg.	BBX.	Reg.	BBX.	Reg.	BBX.	Reg.	BBX.	Reg.	BBX.	Reg.	BBX.
Carriers														
News Stands.....														
Newspapers														
Miscellaneous														
Total put out....														
Left on hand.....														
Total No. received														

Collections Itemized			SPECIAL NOTICE Deductions for unsold copies of The News should not be made from remittances every week; they should only be deducted from News bills every four or five weeks, at which time the whole copies should be returned by freight or express, at The News's expense. Whenever deductions are made for unsold copies, the bill of lading must accompany the remittance, otherwise credit will not be allowed. All bundles of unsold must be securely tied with rope or wire, to assure safe carriage, and addressed: Circulation Department, The News, Indianapolis, Ind. We will always pay charges at Indianapolis.	Total left over (not put out).....	
Carriers				Total returns (unsold for week).....	
Newstands				Net Number to be paid for.....	
Newspapers				Use form below only in making deductions for unsold, every four or five weeks.	
Mail Subs				Week Ending.....	Number unsold and returned.....
Miscellaneous				Total deducted for and shipped.....	
Itemized Expenses			Total collections		
			Total paid out.....		
			Remittance		
Total.....					

Remarks:

Special Agent

Form 29. Special Agent's Weekly Report. Size, 8¾x11 inches.

Agency Report *Indiana, Week Ending* 191

NEWS					OTHER PAPER			ITEMIZED EXPENSES	
Day	Date	Circulation This Week	Cumulative This Week	Total This Week	Cumulative This Week	Total This Week	Total This Week	Total This Week	Total This Week
M.									
T.									
W.									
T.									
F.									
S.									
Total output									
Left over									
Total week									
Total left over (not put out)									
Total returns (unsold for week)									
Net number to be paid for									
Total returns (unsold for the week)									
Net number to be paid for									
<p>SPECIAL NOTICE.—Deductions for unsold copies of The News should not be made from subscriptions, since, while they should only be made from the circulation of the paper, the circulation of the paper should be returned by freight or express to The News's expense. Whenever deductions are made for unsold copies, the bill of lading must accompany the remittance, otherwise credit will not be allowed. All handling of unsold must be securely tied with rope or wire, to assure safe carriage, and addressed: Circulation Department, The News, Indianapolis, Ind. We will always pay charges at Indianapolis.</p>									
Remarks:									
<p>Use form below only to make deductions from circulation of The News.</p> <p>Amount due The News.</p> <p>Amount due other papers.</p> <p>Expenses.</p> <p>Total.</p> <p>Total collections.</p> <p>Total paid out.</p> <p>Profit.</p> <p>Special Agent.</p>									

Form 30. Special Agent's Weekly Report—Combination Form. Used by The Indianapolis News. Size, 12x9 inches.

Complete List of Subscribers

THE INDIANAPOLIS NEWS

WRITE PLAINLY WITH INK

Gentlemen :— Station _____ Record No. _____
 I herewith submit to The Indianapolis News Circulation Department, a complete list
 of all of my subscribers, together with the initials of each, and street and house number.

Date _____ 191 _____ Age _____
 Signed _____ Carrier.

CAUTION.—The Names must not be listed alphabetically, but must be put down in the order in which papers are delivered

	SUBSCRIBER'S FULL NAME	STREET NUMBER	NAME OF STREET
1			
2			
3			
63			
64			
65			

Form 32. Carrier's List of Subscribers. Size, 8½x28 inches.

DAILY PRESS REPORT.									
Mail Room									
West Side									
East Side									
News Stands									
Office									
Dead Head									
1st Ed. Sales									
1st Ed. Returns									
Samples: City,									
County,									
TOTAL									
Press Started First Ed.									
Press Started Second Ed.									
Press Started Third Ed.									
Press Started Fourth Ed.									
Signed									
	Mail Clerk.								
OFFICE REPORT.									
Recd. from Mail Room									
To Street Circulator									
To News Stands									
To Advertising Dept.									
To Carriers									
To Dead Head									
To City Cir. 8 A. M.									
TOTAL									
Date,									

Form 33. Daily Press Report. Form used by The Portland Oregonian. Size, $3\frac{1}{2} \times 7\frac{1}{2}$ inches.

IV. RULES, REGULATIONS, AND ASSOCIATION FORMS

Form 34. Rules of The Indianapolis News Association of Carriers.

NAME. This Association is organized and conducted by the Circulation Department of The Indianapolis News and shall be known as The Indianapolis News Association of Carriers.

OBJECT. The object of this Association is to promote the circulation of The Indianapolis News, to teach its members self-government and brotherhood, to encourage industry, thrift, and economy; to promote honest methods in business dealings and to familiarize them with the little courtesies that make better men; to teach them their duty to themselves and to society and to develop character and the spirit of progressive citizenship.

MEMBERSHIP. Any boy or girl eight years of age or over, regardless of color, religion, or nationality who will abide by the rules and regulations of the Association as hereinafter set forth is eligible to membership.

RECORD NUMBER. Every member of the Association will be given a record number, which number he will keep as long as he is a member of the Association in good standing, providing, however, that he carries four (4) or more copies of The Indianapolis News to regular subscribers daily.

REPORTING TIME. Every carrier must report at his Substation for his supply of papers not later than 4 o'clock P.M. daily and at such other times as may be designated by the Circulation Department of The Indianapolis News from time to time, which changes are governed by the time of going to press. Boys who persist in reporting late will be expelled.

BULLETIN BOARDS. Every Station shall be supplied with a bulletin board for posting notices to carriers. All "stop" orders and "complaints" will be posted on the bulletin board. Every carrier must watch the bulletins for such notices and if any order so posted refers to his subscriber he must immediately notify the Station Manager. Any carrier who fails to acknowledge any "stop" or "complaint" order and is later found to be the negligent carrier will not only lose the subscriber in question, but is liable to be expelled from the Association.

CARRIER SLIPS. Every carrier must fill out a "carrier slip" each

day, showing the number of papers bought that day and also the number bought the day previous. The name and address of every person who "stops" or the reason for stopping, and the name and address of every "new" subscriber must be distinctly written and correctly given. Addresses alone or names alone will not be sufficient. The initials of subscribers must also be given in each case. No excuse will be accepted from any carrier for failure to comply with this rule.

PAYMENT OF PAPERS. Credit will not be extended to carriers under any circumstances. Cash must be paid for all copies of The Indianapolis News at the regular wholesale price, 1 cent per copy for the regular Editions and $\frac{1}{2}$ cent per copy for Baseball Editions unless otherwise ordered. Boys who fail to pay for their papers will not be supplied. For the convenience of carriers money will be accepted in advance for several days' supply of papers and a careful record will be kept of such payment and proper credit given. The Substation Manager or District Man has no authority whatsoever to suspend this rule.

SUPPLYING PAPERS TO CARRIERS. Each Substation Manager will supply his carriers in the order in which they fill out their carrier slip and pay for their papers, except in cases where carriers deliver "deadhead" copies to individuals, or packages to news-stands, in which event such boys should be given the preference. Carriers should not be supplied under any circumstances according to the number of papers they carry, the older carriers who have large routes should not be given the preference over smaller boys who carry only a small number of papers. To facilitate the distribution to carriers, they should form in line and be supplied in rotation. Substation Managers must use their own discretion to bring about this result, as quite frequently conditions are not alike at all Stations throughout the city.

COUNTING PAPERS. Every carrier must count his papers before he leaves the Station. All papers given him in excess of the amount paid for must be returned. No claim for "shortages" will be allowed unless claim is made before carrier leaves the Station. Soiled or mutilated papers should be returned to the Station Manager and should under no circumstances be delivered to the subscriber.

DELIVERY TO SUBSCRIBERS. Carriers must not loaf around the Station after they have been supplied with papers, but must begin delivery to their subscribers at once. Playing along the route or "killing time" in any other manner will not be permitted. Every carrier in the city, no matter how many papers he carries or the ground he covers, should have every copy of The News delivered by 5:30 P.M., and as much earlier as possible. Papers should not be rolled or folded, but in every instance should be delivered flat. Papers should be placed where they will be safe in windy and stormy weather. Extra precaution should be used to prevent papers from being stolen. Careless delivery of papers on

porches and lawns will cause many complaints and the probable loss of routes to carriers. The subscriber should be consulted in nearly every case as to the place where paper is to be left. On "rainy days" papers should be protected as much as possible, by being placed under the door mat so that they can be easily found, behind screen doors, or, better still, delivered into the hands of subscribers. If this work is done right it will delay carriers slightly, but the greater satisfaction given subscribers will counterbalance the delay.

DEPORTMENT AT STATIONS. Under no circumstances will carriers be allowed to sit on the counter, spit on the floor, smoke or chew, scuffle, act in a boisterous manner, mutilate the premises or commit any nuisance in or around the Station. The playing on lawns of residents in the neighborhood of the Station will not be permitted. Deportment in general at the station must be as good as it would be in a schoolroom, and violators of this rule will be unceremoniously expelled.

NEW BUSINESS. Every carrier should devote his spare time in soliciting for new business on his route. His efforts should be confined to as small a territory as is practicable to insure prompt delivery and collections. Jumping from one street to another is discouraged. The larger the number of subscribers in limited territory, the better. New subscribers received by carriers from the Station Manager must be given careful attention. Delivery should be made on the day the order is given. In each case the carrier should call on the subscriber to ascertain the place of delivery of *The News* and to have the subscriber sign his "leave order," showing the proper delivery of the first copy. Should the subscriber not be found at home, the signature of the servant will be accepted. If the house is closed, signature should be secured on "leave order" as soon as possible after the paper is started. Carriers who neglect to show proper delivery of the first copy by securing signature of subscriber to the "leave order" without sufficient excuse will be severely reprimanded with the possible penalty of not being given new subscribers in the future. Carriers must not allow papers to be delivered by some one else for convenience; they must attend to such work in person or through a substitute or helper.

BUYING AND SELLING ROUTES. No carrier is allowed to buy or sell subscribers from another carrier without having first consulted the Station Manager. His permission must be obtained first under penalty of expulsion.

HELPERS AND SUBSTITUTES. It is suggested that every boy who carries more than 50 papers employ a helper. This is necessary on account of the bulk of the paper on Fridays and Saturdays and to facilitate the delivery. Every such helper, if employed regularly, must be recorded at the Station. He will be provided with a record number, the same as the carrier employing him, being distinguished, however, from the regu-

lar carrier by the letter "A, B, or C," after the record number, as the case might be. For example — should carrier No. 36 employ two helpers, one of these carriers will be known as No. 36-A, and the other shall be known as No. 36-B, and so on, according to the number of helpers employed. No helper or substitute will be recognized at the Station, nor share in any privileges of this Association at any time unless he is recorded at the Station in the proper manner. Every carrier shall appoint a substitute who will deliver his route in the absence of himself, such substitute to be governed by the same rules and regulations as regular carriers. Every carrier will be held responsible for his substitute and any violations by such substitutes may cause the regular carrier to lose his route, the same as if said violation was committed by the regular carrier himself.

VACATIONS. Should any carrier desire to take a vacation he must first secure the permission of the Station Manager in order to retain his route, and a substitute must be appointed who will abide by all the rules and regulations of the Association. The News shall not be expected to report any violations by the substitute to the regular carrier while absent from the city. The Station Manager reserves the right to take charge of the route if the substitute fails to give proper service and will turn the business over to such other carriers as he may see fit to appoint in order to protect the interests of The Indianapolis News and no compensation will be allowed the regular carrier under any circumstances unless such route was disposed of for a consideration, in which event he will be paid the amount received less the amount paid out for the expense incurred in taking care of the route during his absence.

COLLECTIONS. The price of The Indianapolis News to subscribers is 10 cents per week, unless otherwise ordered. Collections at that rate should be made from subscribers at regular intervals, preferably once every week. When subscribers do not care to pay that often, collections should be made at their convenience, but not at greater intervals than every four weeks. Carriers are expected to pay for their papers daily and should not extend credit for a protracted period. If subscribers refuse to pay promptly, The News should be discontinued. A reason in each case should be given on the carrier's slip as to why the paper is stopped. Collections should be made as near as possible on the same day of the week; Saturday morning is considered to be the best time to make collections. Each carrier should keep a route book, in which an accurate account should be kept and subscribers should be urged to use regular collection cards as furnished by The Indianapolis News for receipts, such cards to be punched each time a collection is made. Frequently subscribers do not care to bother with receipt cards, in which case the carrier should use every precaution and care to keep the accounts straight, in order to avoid disputes. The Indianapolis News is

not responsible for any sums lost by carriers from subscribers, through removals, disputes, or for any other reason. The Station Manager will help carriers to straighten out disputed accounts whenever it is possible, but will not make a practice to assist carriers to collect. Every carrier stands on his "own bottom" and is expected to keep his accounts straight.

TRUST FUND ACCOUNTS. Trust Fund accounts are subscription accounts paid in advance at the main office of The News by regular subscribers, who do not want to be annoyed by carriers who make too frequent collections. Such people want to pay annually or semiannually for convenience. Payments by subscribers in this way are held in trust for the carrier and may be collected at The News office every four weeks, the same as if collection were made from the subscriber direct.

Quite frequently subscribers pay a few weeks in advance, in which event notice is sent to the carrier to call at his Substation or The News' main office for amount received. Subscribers often call at The News' office to order their paper stopped, and pay what they owe. Such payments are accepted and turned over to the proper carrier.

Whenever carriers are notified that collections for subscriptions are to be made at The News' office, they must not annoy such subscribers by calling upon them to collect. The amount due will be paid out of the subscribers' account at The News' office, carrier giving proper receipt.

COMPLAINTS. Whenever a subscriber complains of irregular, late, or the non-delivery of The News, a "complaint slip" will be sent to the Substation, a copy of which is retained at our office, a copy is sent to the carrier, and a third copy to the Station Manager. All complaints will be posted on the bulletin board. The boy delivering such subscription must acknowledge the order and give it his immediate attention. The Station Manager will verify such order by calling on the subscriber to ascertain what action has been taken by the carrier, and if no improvement is made in the delivery, such subscriber will be turned over to another carrier. Too many complaints of similar nature will cause the expulsion of carrier from the Association. Always ascertain the grievance the subscriber may have and remedy such matters at once. Whenever a paper is stopped on account of non-payment, the subscriber should be notified of its discontinuance. Never sell copies of The News on the street to transients unless you have extra copies. Subscribers' copies should in no case be sold and the subscriber missed. It may cause you to lose such subscriber permanently and possibly your route.

STOPS. Whenever a subscriber stops taking The News, either through an order to the carrier direct or through the main office, it should be stopped according to instruction. All orders from the main office will be posted on the bulletin board the same as "complaints" and carriers must give such orders their prompt attention under penalty of

losing pay for the papers left after order was issued to stop it. The reason subscribers give for stopping should be given on the carrier slip each day so that the Station Manager may investigate, and the main office of The News may be fully informed from time to time as to the cause. Quite frequently the management is able to apply a remedy, especially when there are complaints as to the policy of the paper, its contents, delivery, or anything that might involve the retention of such persons as subscribers.

MISSED PAPERS. Whenever a carrier fails to deliver The News to a regular subscriber and it is found necessary for the main office to make such delivery later, the regular carrier will be assessed the amount paid out for a special messenger. The News will not undertake to make deliveries of this kind except when absolutely necessary.

The News will always advise subscribers over the phone to deduct from their subscription payment, for missed papers, therefore it behooves the carrier to be careful and see that his papers are delivered regularly. Every carrier should be in the business for profit, and should avoid losses through carelessness.

SUBSCRIBERS' NAMES AND ADDRESSES. At the discretion of The Indianapolis News a complete list of subscribers must be furnished by the carrier. Such list must be filled out completely and accurately in ink, giving the name and address of every subscriber and as near as possible the order in which papers are delivered. In flat buildings or tenement houses the number of the flat or floor must be given. The names and addresses must be furnished complete. Any boy failing to comply with this rule after proper notice will be expelled.

GENERAL INSTRUCTIONS. It must be positively understood by carriers that they have no interest in the list of subscribers on their route—that they only act as distributors for The Indianapolis News and that their compensation for such service is limited to the profit growing out of the difference between what they pay for their papers and the amount collected from The Indianapolis News' subscribers. Subscribers sold by one carrier to another with the consent of The Indianapolis News are to be transferred only under this condition. Any carrier wishing to give up his route and stop acting as carrier for The Indianapolis News must give the Station Manager at least ten (10) days' notice and deliver all lists and names of subscribers together with their addresses and full instructions as to places of delivery of The Indianapolis News before he stops regular delivery. Said lists and other information are to be turned over to any authorized representative of The News or to his (carrier's) successor, who must first be approved of by the Station Manager.

No member of this Association will be allowed to deliver copies of any other daily newspaper published in Indianapolis or have any inter-

est in any route owned by any such other newspaper or carrier thereof. Carriers must buy all their papers at their regular supply station, and will not be allowed to buy papers at any other place, unless extra copies are required en route to complete delivery to all regular subscribers.

Carriers are not allowed to distribute circulars, or other advertising matter in any form, with copies of The News without authority from the Manager of Circulation, Business Manager, or General Manager. No other person has the authority to order the distribution of such matter by carriers. There is but one exception to this rule and that refers to notices or other printed matter put out by The News in connection with its own business.

Form 35. Rules and Regulations for District Men—Indianapolis News.

1.—You are expected to report promptly for regular duty according to the hours prescribed by the management from time to time and for EXTRA duty whenever it is necessary in the opinion of your superiors. You are furthermore expected to keep in touch with headquarters by telephone at frequent intervals during the day and not leave your work for the day without first reporting "off duty."

2.—You are expected to appear for duty neatly dressed, commensurate with your means; keep yourself clean shaven and free from the odor of "tough old" pipes and cigarettes.

3.—No smoking is allowed while on duty. Tobacco in any other form is objectionable and should be avoided. Your duty brings you in contact with many ladies and your business should be transacted as a gentleman. Be brief and polite.

4.—You are expected to furnish bond for the honest and faithful performance of your duties in such sum as may be required.

5.—Our business must be transacted thoroughly and must be held strictly confidential. Reports, criticisms, and suggestions are to be made only to your superiors. Discussions with other employees or outsiders as to the policy of The News should be avoided.

6.—Do not criticize or find fault with your competitor. Every knock is a boost. Argue only in behalf of your own paper and not against the other. The public quickly forms its own opinion of the "other fellow" when your superior qualities are presented. Avoid talking on subjects you know nothing about. Do not exaggerate or magnify facts. Stick to the truth—it will serve your purpose best.

7.—Do not be afraid to ask questions—there is no man who knows it all. Do not be afraid of being criticized or reprimanded for making mistakes. You will learn to avoid them thereafter. If you blundered, admit it—do not cover it up or try to blame some one else.

8.— Do not labor under the impression that your path may be strewn with roses, your progress made a grand triumphal march, that you will be received everywhere with acclamations of joy and that readers of every age and degree will bow before you in humble supplication. You will be sorely disappointed in your "dreams."

9.— Your Manager can give general instructions and support, but the execution of the work beyond this, is something for which you are responsible.

10.— Your merit is measured by absolute facts and figures. No matter what the conditions, how difficult the task, or how earnest you are, results only are considered.

11.— It is your duty before leaving the office to become thoroughly informed of everything relating to your work. You should feel that upon yourself alone depends the work of preparation. Many men go out on their trips half ready, having relied upon some one else to supply them with ideas.

12.— A man who is continually making mistakes, causes both his paper and himself an endless amount of trouble. Once out in your district you absolutely "stand on your own bottom." You must be in a position to act independently, promptly, and correctly.

13.— Your genius is displayed by the excellence of your work — not by sitting around mourning over what might have been. In this day and age no man is restricted to the employment of one method of accomplishing things. You are surrounded by an exhaustless ocean of ideas. You have only to draw as you need, unhindered, limited only by your power of diligence. Some men never have "ideas" of their own for advancing business. They can usually "tell" when the other fellow is wrong but cannot find or suggest a practical remedy. The ideas that employers want are the practical ideas that show results. A man who will take time to do a little real "thinking" and planning will produce better results than the man who works like an automaton.

14.— When a man enters the employ of a newspaper it is expected that he will make all honorable efforts to secure business, and that he will earnestly endeavor to advance the interests of his paper by the use of his intelligence.

15.— Never start out until you know all about what you are to do. If the Manager does not tell you everything, make it your business to find out some way.

16.— If you have ideas that you wish to submit, put them on paper so that they can be understood, and await developments. If every suggestion you make is not accepted do not get ruffled. If one "idea" in ten goes through, it's above the average — try again.

17.— Never blame another man for your ignorance; never apologize or explain when you fail to do certain things; explanations do not bring

circulation. Never take it for granted that we understand your orders written "any old way."

18.—Always take time to read all circulars, letters, and bulletins. An hour taken up in this way means ten hours gained when you get started.

19.—There are one hundred thousand ways of getting circulation of which we know, but there are one million ways yet to be discovered. Do not be afraid of losing your job; the very fear of it will lessen your ability and then YOU WILL lose it. There is always work and tools to work with for those who will.

20.—If you are not succeeding well in canvassing, be careful not to show it in appearance or words. You must always create the impression that your business is booming, whether it is or not, for if people see that you are not succeeding, they will attribute it to lack of merit in your paper or want of energy on your part. There are dull periods in every business and you must expect them. But you will find upon investigation that your "dull days" are due principally to lack of faith and enthusiasm on your part. You generally accomplish what you think you can and if you will go to work every day believing that you can succeed, success will be sure to come. If one person does not order the paper, there are others who will, so you can afford to hold up your head and feel that you are bound to do well. Never get discouraged because persons tell you that people in any particular neighborhood are "not a reading people." You will frequently meet with the best success in communities where total failure has been predicted by persons who thought they knew.

21.—No matter how much experience you have had, don't fail to study *The News* thoroughly each day. District men often fail just because they are over-confident and are not willing to qualify themselves. You must remember that strangers know nothing, or very little, about *The News*, and they of course, may not take to it. The person never lived who wanted to take a paper before somebody interested him in it. Nothing will make people want to take our paper quicker than your description of it, and you must be so familiar with it yourself, that you can describe it in such a manner as to create an interest in the minds of others. Your experience as you progress will give you new ideas and you must use them in the most effective manner.

22.—Adhere strictly to your instructions. In the absence of instructions in any matter whatsoever, follow the dictates of your best judgment. Your entire time must be devoted to the interest of *The News* while you are in our employ.

23.—Read the rules and regulations prescribed for *The News'* Association of Carriers; they have been adopted after careful consideration and should govern in all cases where your work is involved.

24.— You are expected to visit all the news-stands in your territory at least once every week, and all substations at least twice a week.

25.— You are held responsible for the circulation, collections, and general results in your territory, and consequently have the authority to conduct the business in your own way as long as it does not conflict with our rules or the general policy of the paper.

26.— If you conduct one of our substations, you are expected to report there not later than 3 P.M. and remain until you are released at night through the main office: 5:30 P.M. is the time you are to report "off duty" excepting during the Baseball Season, or other special occasions requiring your presence later than that hour.

27.— Collections of all news-stands and substations are to be made every Tuesday, unless otherwise ordered. No credit is to be allowed on any bill for something you know nothing about; balances should not be allowed to accumulate, and all unsold papers must be taken up. You have no authority to leave "Returns" with any dealer after having credited them to his account.

28.— No smoking is allowed in the office between October 1 and April 15. No smoking will be allowed at meetings of district men at any time during the year, or at substations during office hours.

29.— Our own substations must be kept clean and in a sanitary condition. Our janitor is expected to look after matters of this kind, but every assistance should be rendered by you and your carriers to make his work as light as possible. No alterations to substation building or fixtures are to be made, supplies purchased, or other expenses incurred, without authority from your superior.

30.— You are held responsible for all papers sent to your Station, and credit is not to be extended to carriers or newsboys. Advance payments made by carriers must not be kept in your possession, but must be turned into the office, to be held in trust for such carriers from day to day. You are expected to see that all our rules in reference to carriers are obeyed as far as your territory and station are concerned.

31.— You are expected to carry a copy of these rules and regulations with you at all times and study them thoroughly.

32.— All changes in these rules will be announced in bulletins which you will keep for reference.

33.— Read this every night before going to bed: Have you done all you could do to increase The News' business? Is your conscience clear on your day's work? Do you feel at all doubtful of what you have done, or what you have left undone? Is the work you did that day in the best possible condition?

If you have done your best, neglected nothing that you could do, it's a guarantee that your work will be satisfactory to The News.

Form 36. Application for Membership—Indianapolis News Association of Carriers.

THE INDIANAPOLIS NEWS ASSOCIATION OF CARRIERS
APPLICATION FOR MEMBERSHIP

TO THE INDIANAPOLIS NEWS :

I hereby apply for membership in The Indianapolis News Association of Carriers, and if accepted, this application being properly signed by myself, parent or guardian, shall be construed as an agreement in force and effect with your Association as long as I shall remain a member in good standing. I agree to abide by the following rules and such other conditions as may be required of me from time to time.

My purpose in applying for membership in your Association is to become a carrier of The Indianapolis News with the privilege of acquiring a list of subscribers of The Indianapolis News by purchase or through the efforts of myself and friends, thereby becoming the owner of a News Route in the city of Indianapolis, Indiana.

1—I agree at all times to devote my earnest endeavors to advance the circulation of The Indianapolis News in the territory I cover and will not sell any other newspaper published in Indianapolis daily or Sunday without the written consent of The Indianapolis News.

2—I agree that I will not solicit among people who are already regular subscribers of The Indianapolis News through some other carrier, but that I will confine my efforts for new business exclusively to nonreaders of The Indianapolis News.

3—I agree that if at any time the number of my subscribers exceeds seventy-five (75), I will employ a helper or assistant to deliver part of my route or will agree to dispose of all the customers that I am not able to deliver myself within the time prescribed in Clause 7.

4—I agree to sell The Indianapolis News at 2 cents per copy, and to regular customers at the rate of 10 cents per week until otherwise ordered.

5—If I violate any rule of your Association or fail in fulfilling my duties as a carrier, you have the right to expel me as a member without notice, and may dispose of my route at the best obtainable price under the circumstances.

6—I agree that I shall give you at least ten (10) days' notice should I wish to resign as a member of your Association and as a carrier, with the understanding that if I originally bought or otherwise invested in my route that I be given the privilege of disposing of my list of subscribers to some person who must first be approved by you, the average price per subscriber not to exceed the amount paid by me when I orig-

inally secured them. I agree that if no purchaser approved by you can be found within ten days from the date I notify you that I wish to resign, to give you the privilege of disposing of my route at the best price obtainable.

7—I will buy The Indianapolis News at such supply station as you may designate, convenient to the route and at no other place and agree to pay for the papers each day at your regular rate to newsboys or carriers and will arrange the delivery of the route I cover so that no subscriber will receive his paper later than 5:15 P.M., excepting in such cases when it becomes a physical impossibility to accomplish this; furthermore, I will report at substation for my papers not later than 3:45 P.M.

8—I agree to give The Indianapolis News a list of all the subscribers and customers to whom I deliver the paper with their addresses, and to furnish such list from time to time as changes shall occur or as The Indianapolis News shall require. I will not furnish their names or addresses to any other person without the consent of The Indianapolis News.

9—I will at all times have a substitute able to carry the route I cover in case I am for any reason unable to carry it, such substitute to be governed by the rules of your Association, the same as myself.

10—I understand that in distributing The Indianapolis News along said route, I am acting as a carrier in the employ of The Indianapolis News, and that my compensation for that service is limited to the profit growing out of the difference between what I am to pay for the papers which I deliver and the amount which I collect from The Indianapolis News subscribers therefor.

11—I further agree always to conduct myself in a polite and gentlemanly manner for the general welfare of your Association and The Indianapolis News.

Signature of Applicant.....

Age..... Date.....

Home Address.....

I understand the necessity of the above requirements and will endeavor to see that they are fulfilled.

.....

Signature of Parent or Guardian

The above application is approved and applicant is hereby accepted as a member of The News Association of Carriers, and as a carrier of The Indianapolis News.

THE INDIANAPOLIS NEWS

.....

Representing the Publisher

Form 37. Constitution and By-laws — Indianapolis News Benefit Association.

CONSTITUTION AND BY-LAWS

CONSTITUTION

NAME OF ORGANIZATION

Section 1. This Society shall be known as "The Indianapolis News Benefit Association." It is formed for the purpose of creating a fund to be used for the relief of its members in case of sickness or disability. Its membership shall be confined to those who are regular employees of The Indianapolis News, excepting those who are members of some other similar benefit association conducted by Indianapolis News' employees.

OFFICERS

Sec. 2. The officers of this Association shall consist of a President, Vice-President, Secretary and Treasurer, and a board of three directors. The officers shall be elected annually, and a plurality vote shall elect. They shall hold office until their successors are elected and installed.

PRESIDENT

Sec. 3. The President shall preside at meetings of the Association and Board of Directors when present; shall countersign all warrants on the Treasurer, and perform all duties pertaining to the President, and shall, at any time, call a meeting of the Association upon the written application of seven members. He shall appoint a member from each department, who shall collect, weekly, the dues from all members of the Association in his department, and who shall on Saturday of each week, turn the collections over to the Secretary.

VICE-PRESIDENT

Sec. 4. It shall be the duty of the Vice-President to attend meetings of the Association and Board of Directors, and preside in the absence of the President, assuming all his powers and duties.

SECRETARY

Sec. 5. The Secretary shall attend all meetings of the Association and Board of Directors, and shall be entitled to a vote on all questions before the Board of Directors. He shall receive all initiation fees and

dues and keep a just and true account of the same; pay them over to the Treasurer on Monday of each week, taking his receipt therefor. He shall issue all warrants on the Treasurer in payment of money, and shall perform such other duties pertaining to the office as the Association may direct. His compensation shall be fifty cents a week.

TREASURER

Sec. 6. The Treasurer shall receive all funds from the Secretary, giving his receipt therefor, and deposit the same weekly, or as soon as received, if practicable, in a bank, which shall be selected by the Board of Directors. He shall pay all drafts ordered by the Association or Board of Directors, and signed by the President and Secretary; shall have in charge the bank book of the Association, and keep a correct account of all receipts and disbursements, and at no time shall he retain more than \$50 in hand. Whenever required, the Treasurer shall produce the bank book of the Association for the inspection of the members, and shall not, at any time be allowed to draw money from the bank without the signatures of the President and Secretary.

BOARD OF DIRECTORS

Sec. 7. The Board of Directors shall have general supervision of the good and welfare of the Association; they shall act as a committee on membership to whom all applications for membership shall be referred, and they shall report to the Association whatever facts they may deem pertinent in connection with such application, reporting favorably or unfavorably on each applicant. Each candidate for membership shall be voted by the Association by ballot, and a majority of votes shall elect. To the Board of Directors shall be referred all applications for relief of members, and they shall report their action in writing in such cases to the Association at the next regular or called meeting. They shall ascertain the condition of each applicant for relief under the provisions of the Constitution and By-Laws. They shall hold meetings at the call of the President whenever the business of the Association may require, for the relief of the sick and other causes.

THE PHYSICIAN

Sec. 8. It shall be the duty of the Physician, designated by the Board of Directors, to make all calls as ordered by the President, and his compensation shall not be more than \$1.00 for each visit ordered.

VISITING COMMITTEE

Sec. 9. A Visiting Committee shall be appointed by the President in each case of sickness reported to him; said committee shall consist of three members, no two of whom shall be employed in the same department as the beneficiary. Said committee shall report its findings in

writing to the President within two days after appointment, and the President shall submit the report to the Board of Directors, and the Board of Directors, if satisfied with all the facts in the case, may order the Treasurer to pay the benefit. Said Visiting Committee shall receive transportation for each visit. The Visiting Committee, after its first visit, shall visit as directed by the President. Any members failing to perform their duties shall be fined fifty cents.

FINANCE COMMITTEE

Sec. 10. The President shall appoint a Finance Committee, consisting of three members, whose duty it shall be to make a thorough examination of the accounts of the Secretary and Treasurer at least once in three months, and oftener if directed by the President or the Association; and they shall make a full report in writing to the Association at its next regular or called meeting.

ELECTION OF OFFICERS

Sec. 11. The annual election of officers shall be held on the first Monday in August of each year, and the officers then elected shall take office at once. If from any cause, a vacancy shall occur in any office, such vacancy may be filled at any special or regular meeting of the Association.

Election shall be by ballot.

The President shall appoint an election committee of three, who shall provide a ballot-box. A list of all members in good standing shall be kept by the committee and, on a member voting, his name shall be canceled. During the casting of the ballots, the ballot-box shall be kept securely locked, nor shall the committee give any information as to the progress of the voting.

Upon closing the polls the election committee shall at once proceed to count the ballots, and shall certify the same to the President, who shall announce the result.

ABSENCE OF OFFICERS

Sec. 12. Any officer failing to attend two consecutive meetings of the Association, his office shall be declared vacant by the Board of Directors, and a successor shall be elected at the next regular or called meeting, unless such officer furnish a reasonable excuse for not attending.

RETAINING MEMBERSHIP

Sec. 13. Any member leaving the employ of The Indianapolis News shall forfeit his membership in this Association, and all claims of

whatever kind against the Association, except as provided in the Constitution and By-Laws.

APPROPRIATION OF FUNDS

Sec. 14. No portion of the funds of this Association shall be appropriated for any purpose whatever, other than provided for in the Constitution and By-Laws, and no member hereof shall receive a larger benefit than is fixed herein.

DISSOLUTION

Sec. 15. This Association can only be dissolved by a vote of three-fourths of the members in good standing, and all funds in hands and in bank at the time of the dissolution shall be divided among the contributing members upon the Association's rolls at such time, in proportion as they have contributed to the same.

AMENDMENTS

Sec. 16. Amendments to the Constitution may be made at any regular or called meeting of the Association upon a two-thirds vote of the Association; and amendments to the By-Laws upon a majority vote of all members present.

QUORUM

Sec. 17. Ten members shall constitute a quorum for any regular or called meeting of the Association.

WITHDRAWAL OF FUNDS

Sec. 18. No member hereof shall be entitled to demand the return of any money he may have paid into the treasury of this Association, except as provided for in the Constitution and By-Laws, and his signature hereto shall be a testament of agreement thereto.

RUNNING EXPENSES

Sec. 19. For the running expenses of this Association, orders shall be drawn by the Secretary on the Treasurer and paid from the funds of the Association.

SIGNING THE CONSTITUTION

Sec. 20. Each member shall be required to sign a book kept by the Secretary, containing the Constitution and By-Laws, and shall then become a member in good standing, entitled to all reliefs, benefits and privileges of this Association, subject to the rules of the same.

BY-LAWS

INITIATION FEE

Section I. All members entering this Association shall pay an initiation fee of fifty cents.

ARREARS

Sec. 2. Any member failing to pay his dues for two consecutive weeks shall be dropped from the rolls of the Association, and forfeit all claims of whatever kind against the Association.

SICK BENEFIT PLAN

Sec. 3. The benefit plan of this Association shall be as follows, the amounts to be paid weekly when sick or disabled:

Class A — Members paying 5 cents a week shall receive \$3 a week.

Class B — Members paying 10 cents a week shall receive \$6 a week.

Class C — Members paying 15 cents a week shall receive \$9 a week.

Class D — Members paying 20 cents a week shall receive \$12 a week.

Six working days shall make a week as per Monday to Saturday, and for any sickness over one week, benefits shall be paid at the rate of \$2 a day for each working day.

No member shall be entitled to a sick benefit until he shall have been a member of the Association for two weeks.

No member shall receive benefits for more than eight consecutive weeks, nor more than ten weeks in one fiscal year.

No member shall be allowed to change from a lower to a higher rate of benefit during sickness, nor at any other time without the consent of the Association.

No member shall be entitled to benefits whose sickness is the direct result of debauchery or immoral practices.

If, for any reason, there shall at any time be insufficient funds on hand to pay benefits, as provided in the Constitution and By-Laws, sick members shall be paid pro rata the amount of weekly collections, and all such delinquencies shall be paid to such beneficiary out of the first moneys available.

The Board of Directors shall designate a physician, who shall visit all cases of sickness when ordered by the President, and the report of such physician shall be submitted, together with the report of the Visiting Committee, to the Board of Directors.

Sick benefits date from the time the Secretary is notified, and he shall report the same to the President at once.

Members must attend to the payment of their dues, and the Association, neither through its Secretary nor members appointed for collection of dues, is liable when such remain unpaid and a member becomes delinquent.

All members and applicants for membership in the Association may join any class stated in the By-Laws, provided they pay the full amount of dues required.

WITHDRAWALS

Sec. 4. Any member leaving the city permanently or otherwise withdrawing from this Association shall have no claim upon the Association.

Any member can be expelled from this Association upon the proving of written charges preferred to the President by any member of the Association, said charges to be referred to a committee of five, to be appointed by the President, the accused having a right to appear before said committee.

Said committee shall make its report in writing to any special or regular meeting of the Association and action of the Association shall be final.

Any member expelled for any cause shall have no claim upon the Association.

DIVIDENDS

Sec. 5. The Board of Directors shall (unless deemed inexpedient) each year, between the 1st and 10th of December, declare a dividend of all moneys in the treasury over \$1.25 per share Class A, \$2.50 per share Class B, \$3.75 per share class C, \$5.00 per share Class D, which amount shall at all times remain in the possession of the Association: Provided, That the said sums above provided for shall be retained from the first dividend to which a member is entitled.

Upon a member leaving the employ of The Indianapolis News, the Treasurer shall, upon an order of the Board of Directors, pay to the member leaving a sum equal to \$1.25 per share Class A, \$2.50 per share Class B, \$3.75 per share Class C, \$5.00 per share Class D: Provided, That no such order shall be issued unless there is in the Treasury of the Association a sum sufficient to pay the full value of all outstanding stock.

A member leaving the employ of The Indianapolis News before the 1st of December forfeits all claims to participation in a dividend.

Dividends shall be declared pro rata.

Indianapolis News Benefit Association

NOTE—Any member having a claim against the association must fill out this blank and hand it to the attending physician for his answers and signature. Claim must be filed with the secretary or other officer of the association without unnecessary delay.

Date.....

I,, an employe of The Indianapolis News and a member of The Indianapolis News Benefit Association, was (taken ill on) (injured)... 19... at.....o'clock, and quit work on.....19... at.....o'clock.

For the purpose of applying for such benefits as I may be entitled to from the association, I hereby warrant to be true my answers to the questions below:

1—When did physician first attend you?.....

2—Where?

3—What was the disease (or injury)? (Describe symptoms briefly or name parts of body affected) :.....

4—How long were you confined to your bed or room wholly unable to perform your duties?.....

5—Give your physician's name and address.....

.....
Signature.

.....
Street Address.

See other side for physician's statement.

Form 38. Benefit Application — Indianapolis News Benefit Association.
Size, 6x8½ inches.

V. DETAILED INSTRUCTIONS TO SOLICITORS

*Form 39. Instructions to Solicitors—Indianapolis News.*¹

INTRODUCTION

Uniformity of Methods Important to our Business

In order that uniform methods be adopted by all of our men the following instructions are issued and they form part of the agreement under which you are employed; also to avoid disputes and unnecessary correspondence, we request you to study these instructions carefully.

CHANGES OF INSTRUCTIONS

These instructions are subject to revision or amendment, as circumstances or conditions may require, but in all cases of such change a written addenda will be furnished.

THREE GREAT REQUISITES

Before starting be sure that you know your business thoroughly.

When working be self-reliant, enthusiastic and tactful.

When through, close your business in such a way as to leave a pleasant impression, whether you do or do not get an order.

THE INDIANAPOLIS NEWS—ITS POLICY

The policy of The Indianapolis News is absolutely independent. It wears the collar of no political party. In its independence lies its strength. It publishes without fear, favor or prejudice, a full and truthful account of all political events.

The News champions the rights of the people. Its editorials receive the strongest commendations from pulpit and press—even from its local contemporaries.

The News has a reason for every opinion it expresses, and absolutely accepts no patronage from any party. No employee of The News is allowed to hold a political position.

In short, it is a newspaper, not an organ, and has ever been on the side of The People, with no friends to favor, and no enemies to punish.

¹ Compiled by J. M. Schmid of The Indianapolis News. Book No. 1; in effect January 1, 1913.

The Indianapolis News stands at the head of all Indiana newspapers; in fact, there are few if any, that are its equal in the entire Middle States.

Nearly a half million people read it every day.

It is probably the largest newspaper — Sunday newspapers excepted — in the United States, varying in size from 18 to 32 pages daily. Cost, two cents per copy, ten cents per week, forty-five cents per month delivered. It is a newspaper "bargain."

A LITTLE "HORSE-SENSE"

The solicitor who labors under the impression that his path may be strewn with roses, his progress made a grand triumphal march, that he will be received everywhere with acclamations of joy, readers of every age and degree bowing down before him in humble supplication, will be sorely disappointed in his "dreams."

The Circulation Manager can give general instructions and support, the execution of the work beyond this is something for which the Solicitor alone is responsible.

The merit of the Solicitor is measured by results. No matter what the conditions, how difficult the task or how earnest the worker, results only are considered.

It is the duty of the Solicitor before starting out to become thoroughly acquainted with his work.

A man who is continually making mistakes causes both his paper and himself an endless amount of trouble.

Once out upon the road a Solicitor absolutely "stands on his own bottom." He must be in a position to act independently and with the best judgment.

His genius is displayed by the excellence of his work, not by sitting around mourning over what might have been.

IDEAS MOVE THE WORLD

In this day and age no Solicitor is restricted to the employment of one method of accomplishing things. He is surrounded by an exhaustless ocean of ideas. He has only to draw as he needs, unhindered, limited only by his power of diligence. Ideas move the world.

Some Solicitors never seem to have "ideas" of their own for advancing business; they have "ideas" in abundance of the kind that retard business, however. They can always "tell" when the other fellow is "wrong," but can not find or suggest a practical remedy.

The ideas that employers want are practical ideas, the ideas that show results.

A Solicitor who will take time to do a little real "thinking" and planning will produce better results than the man who works like an automaton.

When a man enters the employ of a newspaper, it is expected that he will make all honorable efforts to secure business and that he will earnestly endeavor to advance the interests of his paper by the use of his intelligence.

He must never start out on the road until he knows all about what he is to do. If the Circulation Manager doesn't tell him everything, he should make it his business to learn somehow.

If he has some good ideas that he wishes to submit, they should be put on paper so that they can be understood, sent in and await developments. If the circulator does not accept every suggestion he makes he should not get ruffled. If one "idea" in ten goes through, it's above the average — let him try again.

SHOULDER YOUR OWN MISTAKES

A man should never blame another for his mistakes; never apologize nor explain when he fails to do certain things; explanations do not bring circulation. He should never take it for granted that orders written "any old way" will be understood.

Time should always be taken to read any and all circulars and letters received. An hour taken up in this way means ten hours gained later.

There are one hundred thousand known ways of getting circulation, but there are one million ways yet to be discovered. The man who is always afraid of losing his job will lessen his ability through fear and then he will lose it. There is always work and tools to work with for those who will.

HAVE FAITH IN YOURSELF

A man who is not succeeding well in canvassing should be careful not to show it in appearance or words. He must always create the impression that his business is booming, whether it is or not, for if people see that he is not succeeding they will attribute it to lack of merit in his paper or want of energy on his part. There are dull periods in every business, and every man must expect them. But he will find on investigation that his "dull days" are due principally to lack of faith and enthusiasm on his part. We generally accomplish what we think we can, and if he will go to work every day, believing that he can succeed, success will be sure to come. If one man does not order the paper, there are others who will so that he can afford to hold up his head and feel that he is bound to do well.

He should never become discouraged because persons tell him that people in any particular neighborhood are "not a reading people." He will frequently meet with the best success in communities where total failure has been predicted by persons who thought they knew.

STUDY THE PAPER

No matter how much experience a man has had he should not fail to thoroughly study *The News* daily. Solicitors often fail because they are over-confident, and are not willing to qualify themselves. They must remember that the people know nothing, or only very little, about a paper, and they, of course, do not want to take it. The person never lived who wanted to take a paper before somebody interested him in it. Nothing will make people want to take a paper but a description of it, and a Solicitor must be so familiar with it that he can describe it in such a manner as to create an interest in the minds of others. His experience as he progresses will give him new ideas and he must use them in the most effective manner.

GENERAL INSTRUCTIONS

ROUTING OF PAPERS

Ascertain whether *The News* arrives on time, or whether a better dispatch could be suggested. If you have any complaints from agents or subscribers on account of delayed papers, get exact dates of non-arrival and write on a separate sheet from Daily Report, so same may be sent to the Post-Office Department.

Be careful to learn what our competitors are doing. Your object should be to increase *The News'* circulation at the expense of our competitors. Get as many of their subscribers in a legitimate way as possible.

ABOUT YOUR MAIL AND OFFICE REPORTS

All stubs and mileage book covers should be returned to us as soon as you are through with them and an accurate account kept of mileage used.

Write letters to us daily, giving detailed account of conditions on routes in towns you visit.

Send your weekly reports promptly at the end of every week. Report in space provided, work done from day to day.

Acknowledge the receipt of all letters, money and instructions sent you.

Always give advance-directions where mail and samples will reach you.

Upon arriving a town, call at the Post-Office and Telegraph Office for mail or telegrams. Upon leaving a town, leave your forwarding address at the same places. This is important, mail addressed to you will then always reach you.

You must not deviate from your route or return home without permission.

Your entire time must be devoted to the interest of The News, while you are in our employ.

AIM TO BE ON PLEASANT TERMS WITH EVERYONE

There are many irritable people, and you will not fail to meet some of them, but *do not lose your temper*. If, after having used every effort, you fail, be careful to leave just as pleasant an impression as when you came. Try to make such an impression upon your hearer that he will be glad to see you again. On your first visit you will learn something of his tastes and peculiarities, and can make a note of them for future reference. The next time the order will come all the easier because of your first visit.

RURAL MAIL CARRIERS AND POSTMASTERS

Frequently we receive reports from solicitors that certain rural mail carriers or postmasters are unfriendly to The News. Whenever you find such a condition you should make it your business to learn the reason.

You know that the Post-Office regulations do not permit discrimination against any particular newspaper, and violators of that law run the risk of having charges filed against them.

Perhaps you can straighten matters out to our satisfaction while on the ground, if not, we will take the matter up ourselves if you will give us the full information. We need their co-operation; it will help business.

AS TO YOUR IDENTITY

You will frequently hear your prospect say: "I don't know you; you may not be authorized to collect money." When this objection is offered show your credentials and printed matter and say: "If from these you are not entirely satisfied of my authority to collect the money, you can give me a check or money order, made payable to The Indianapolis News. That will be perfectly safe, for nobody but the publishers can use it." If the person does not actually offer this objection, but you judge that he is thinking of it, say: "If you prefer you can pay me with a check made payable to our Company," or offer to pay for a telephone message to our agent in town or to the postmaster, with whom arrangements for identification should be made in advance.

DON'T ROB PETER TO PAY PAUL

Never accept subscriptions from people who are already readers of The News, through an agent, carrier or newsboy. Don't solicit among people who live in towns where we have delivery service; the business of our agents must not be interfered with; confine your efforts to

rural routes, and other remote localities where The News can only be obtained by mail.

KEEP POSTED

Keep yourself thoroughly posted on our various offers to subscribers and *adhere to those offers to the letter*; don't deviate from our propositions in the least, or you might be charged with discrimination by other subscribers and "prospects" whose orders you had previously solicited.

ABOUT SAMPLE COPIES

See that your "sample copies" are judiciously used, and not wasted; have them forwarded from place to place as you go; don't allow them to remain "unclaimed" at any post-office.

LIVERY

If you don't own your "rig" and hire from a liveryman, make a just and fair contract for its use. One dollar and fifty cents per day is all that should be paid, and you shall not pay more, unless there is positively no other way to get over the routes. Where liverymen have combined to maintain a higher price, try and secure a private conveyance or drive the routes from some nearby town where livery may be secured at a lower rate. Don't pay any "hitch-in" fees; as a rule, feed for the horse will be furnished by liverymen without extra charge. During the winter months blanket your horse whenever it is necessary and in the summer see that he is fed and watered and not overheated. We will not be responsible for damages to horses on account of your violating this rule.

If you own and use a motorcycle, bicycle or other conveyance, you will be paid for its use by contract or agreement in addition to your salary.

STICK TO THE TRUTH

Farmers, as a rule, know what is going on, they are better posted than a great many people believe, therefore don't tell them that "the moon is made of green cheese." Stick to facts about your paper; don't misrepresent a single thing in order to gain a subscriber. If our competitors *lie* about us, try and convince the party who has been misled of the *truth* of the point at issue.

The best argument in your favor is to invite a comparison of The News with the papers of our competitors, and in most cases, if you know your business, you can show your "prospect" that The News is the best newspaper.

CATER TO THE WOMEN

In many instances the women decide what daily paper is to be taken, and our experience has taught us that the women usually know

what is best for them in the reading matter line; in fact, they are more constant readers and keep better posted than the male members of their family. "Mrs. Farmer" is just as interested in the technical features of the daily paper as is the farmer himself. There is hardly a detail of farm work in which she is not vitally interested. She helps plan and manage the season's work; she attends farm institutes and participates in the discussion of agricultural topics; she subscribes for and reads the farm papers; she studies agricultural problems and from her own experience often contributes technical articles to the farm press. Don't ever get the idea into your head that the women of rural America are not vitally interested in newspapers.

We have known of many farmers who have given an order for a certain newspaper, and when the matter was taken up with the wife for final approval the order was "killed." *She* was boss of the reading matter of that house, and her "say" was final.

THE PESSIMIST

If there is too much rain, you will often hear the story of a prospective "crop failure" as an excuse to have you call later, or again if there happens to be a "dry spell" you will have a similar wail from the short-sighted farmer who is always putting off until to-morrow what he should do to-day. Stick to those fellows until you convince them that they are wrong and that they need a daily newspaper to keep them posted regardless of the times.

It may be what is termed a "lean" year among the farmers, but still you won't find them going hungry nor trekking back to their folks at home. The farmer may perhaps count his dollars a little more carefully than he did in some of the flush years; he will not buy quite so many quarter sections on speculation, but he will deny neither himself nor his family any of the good things of life. He will read advertisements all the more carefully in order to make his dollars go further. He's the man whose subscription you should get at all hazards.

EXTENDING CREDIT

There are certain times of the year when the farmer has no money; you may meet him on the road or out in the field and it is not convenient for him to go to the house for money, but still he wants to subscribe; his order should be taken upon his promise to pay within a reasonable period, providing you have evidence of his "good faith," or know that he is financially responsible. As a rule the farmer will pay his just and honest obligations, at least we have found very few "dead-beat" farmer subscribers.

AVOID POLITICAL ARGUMENTS

Arguments about politics should be avoided. The News is Independent, as you will note under the head of "Its Policy" at the beginning of these instructions.

Frequently subscribers "get sore" and threaten to quit because The News has expressed opinions for or against certain matters with which they do not agree, or may be opposed to certain forms of legislation, proposed laws, etc., and in all such cases you may say that The News is honest in every opinion it expresses and assumes its attitude on certain questions because it believes it is *Right*. We have no axes to grind, and while we cannot always agree with our readers or the public at large we have a clear conscience and try to champion the rights of *The People*.

MARKET REPORTS

The Market Reports in The News are the best and most accurate obtainable. Today's markets are always printed today, but the farmer is usually unable to get them until the following morning; that is not our fault however, but is due to his inability to get his mail until the next day. No metropolitan Newspaper can afford to print "Markets" a day late. Markets throughout the United States close about 4 P.M., and it would indeed be a poor newspaper that would not print the quotations of the day before. Never permit to go unchallenged the statement that the Markets in The News are a "day late."

The market reports and comments of The News have an authoritative value, causing them to often be used as a basis by other newspapers in all parts of the country. It gives the latest and most accurate quotations on grain, vegetables, tobacco, butter, eggs, livestock, poultry, produce, merchandise, securities and almost everything of value to its readers.

No person even indirectly interested in any of the above named products can afford to be without The News' daily record of prices and conditions.

PRESS TIME OF OUR STATE EDITION

Our State Edition is the best newspaper we print, it is the latest edition we publish, and consequently has everything we print from the first to the last edition of the day and the old "fib" frequently circulated by a jealous competitor that our State Edition is an evening edition of the day before, with only the date changed, is circulated for the purpose of misleading the public. Our State Edition is printed from 5 to 8 hours later than the edition we circulate in Indianapolis, and a comparison of the two papers will prove this. Frequently a rural route resident will tell you the State Edition is a day late because he saw

a certain item in an edition of The News distributed "in town" the day before. That may be true, but if we failed to print that particular item in his edition, and he heard about it in some other way, he would undoubtedly find fault again. We can't be held responsible because he came to town and read an earlier edition; what about his neighbor, who did not come to town and did not read the item referred to; would we be treating him right by not printing it because the other fellow happened to read it somewhere? Certainly not! "Arguments" of that kind are therefore no arguments at all. We aim to print all the news, that's fit to print and worth printing, all the time and at the earliest possible moment, and if a city man is able to read some of the news 10 or 12 hours before the rural resident reads it, is surely no fault of ours. If we were able to change day into night or night into day and thereby increase our circulation, you can rest assured that we would be on the job.

SPORT NEWS

Our Sport Page is the most complete published in Indianapolis; we have the best sporting writers obtainable, and print the latest and most up-to-date sporting events.

Our baseball scores are accurate and our State Edition always contains the results of games played the day before.

We publish the box-scores, showing every play made by the home and visiting team, together with the result of every game.

We do not publish box-scores of all games in the American Association or other big leagues, because in our opinion the space required for that purpose is too valuable and is only of interest to a small percentage of our readers.

TYPE AND GENERAL MAKE-UP

Occasionally you will hear people say that "our print is too fine" or "our type is too small." Old people especially may find fault with The News on that account.

It is not a fact that our type is smaller than that used by publishers of other daily papers, but is probably due to the manner in which we "make-up" our paper; we do not use as many "leads" or "slugs," or, to be more specific, "spaces" between the lines, and it has often been a question in our minds whether it is better to give more white space or more "reading matter" and we have come to the conclusion that the latter is what the public wants.

People whose sight is affected or who are compelled to read after dark, with the aid of poor or insufficient light, are usually the ones who complain the most. If we were to double the space between the lines of reading matter in our paper it would require about four additional pages to take care of the same volume of news matter, or if we would

confine ourselves to the same number of pages and increase the white space between lines we would give our readers about four pages of reading matter less than they now get. We believe that if left to a vote of our subscribers they would tell us that they want news items in detail and not in an abbreviated form.

ITS FACILITIES

The News has one of the finest newspaper plants in the world, with every modern mechanical advantage. A staff of reporters cover the city and vicinity in an able manner, a field of special writers beginning at its very door, reaches out in every direction and covers every portion of the globe, there being 700 special representatives in towns and hamlets throughout the State and in nearly every large city in the United States. It has brilliant writers watching governmental affairs; experts covering sports of all kinds; the stage and music; markets and financial news; society, matters of special interest for women, and masterly editorial writers. In short, a complete picture of the world's news events down to the minute is presented.

INDEX TO LEADING ITEMS

On the first page of our *State Edition* we print an "Index," giving our readers an opportunity to turn to such items of news as may interest them most. The average reader of that edition will not take the time to hunt the news items he wants to read, and our "Index" is printed as a time-saver. *It is the busy man's friend*, and is a strong argument in your canvass, especially when a man tells you "The News is too big." By referring to the "Index" he need read only such matters as may interest him.

WANT ADS

The News averages about three pages of classified advertisements daily; this is one of the best circulation builders that we have. Many thousands of our readers are interested in what others want to buy or may have to sell or exchange; many are in search of employment; employers are seeking help; real estate men buy, sell and exchange farms, houses and lots; others sell live-stock, vehicles or farm implements; in fact nearly every newspaper reader has occasion to look over our "Want" columns for something.

DISPLAY ADVERTISEMENTS

The more advertisements the greater the advantage to the subscriber. Advertisements are never allowed to encroach upon reading matter. If more advertising is received than can be accommodated in the space allotted for that purpose extra pages are added, and for each additional

column of advertising inserted not less than two columns of reading matter are added.

NEWS GATHERING

The News maintains a bureau in Washington, D. C., under the supervision of an able correspondent. Special dispatches from this bureau are published exclusively in The News; they usually pertain to governmental affairs of great importance to our readers. In nearly every large news center throughout the United States The News is represented either by a special correspondent, the Associated Press or United Press, the two largest and most reliable news-gathering organizations in the world.

LOCAL VS. GENERAL NEWSPAPERS

Sometimes a "prospect" will tell you he is reading a local paper, because it keeps him better posted in affairs around home, and that a state paper does not give him the items he is especially interested in. It is true that neither The News, nor any other metropolitan newspaper, prints many of the minor items referred to, nor can they afford to devote space to much news of that kind. The local newspaper usually is a weekly and sells at the nominal price of fifty cents or one dollar a year, has a circulation averaging perhaps 1,000 or less per issue and is confined to people living within a few townships and seldom goes beyond the limitations of the county. Local newspapers do not print the news of the world "hot off the griddle" like The Indianapolis News. The local newspaper may be especially interesting to the farmer because it tells him about "Hiram Twigg losing a hog with cholera," or "Bill Smith's cow having a calf," or "Josh Jones having raised the biggest pumpkin or squash in the country," etc.; the farmer's wife and daughter may want to know all about the "strawberry social in Newt Plum's backyard," or "the sewing bee or taffy-pulling at Aleck Tansy's."

If The News would continue as a metropolitan newspaper and also take the place of the local papers published in Indiana, it would be required to print 100 or more pages a day.

We print a newspaper for all the people, and not for people of a certain locality.

VI. FORMS RELATING TO ACCOUNTS

THE LOUISVILLE COURIER - JOURNAL CO NEWSDEALER AND CARRIER RECORD																	
LOCATION																	
RATE				DAILY				SUNDAY				NAME					
Form No. 1												9143					
DRAWINGS		DRAWINGS		DRAWINGS		DRAWINGS		DRAWINGS		DRAWINGS		DRAWINGS		DRAWINGS		DRAWINGS	
Day	Daily	Daily	Sun.	Day	Daily	Daily	Sun.	Day	Daily	Daily	Sun.	Day	Daily	Daily	Sun.	Day	Daily
1																	
2																	
3																	
4																	
5																	
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22																	
23																	
24																	
25																	
26																	
27																	
28																	
29																	
30																	
31																	
Total																	
Value																	
Ref.																	

Form 40. Newsdealer and Carrier Record of Daily Drawings of Papers. Size 10x11 inches.

[illegible]

Form 43. Statement of Newsdealer's or Route Owner's Account.
Form used by The Portland Oregonian. Size, 6½x9¼ inches.

Carriers' Daily Cash Account Sub. Sta. _____										
Record No.	NAME AND ADDRESS	M	T	W	T	F	S	TOTAL	Dr. Bal.	Cr. Bal.
		Papers								
		Papers								
		Papers								
		Papers								
		Papers								
		Papers								
		Papers								
		Papers								
		Papers								

Form 44. Carrier's Daily Cash Account. Form used by The Indianapolis News. Size, 7/4x14 inches.

CIRCULATION REPORT 2:30 P. M.						
Office Total	<div style="display: flex; align-items: center;"> { <div style="margin-left: 5px;"> Daily <hr style="border: 0; border-top: 1px solid black;"/> Sunday </div> </div>					
	ADV.	D. H.	COMP.	SALES		
				2½	3	5
Balance on Hand 8:00 A. M.				<div style="display: flex; align-items: center;"> { <div style="margin-left: 5px;"> Daily <hr style="border: 0; border-top: 1px solid black;"/> Sunday </div> </div>		

Form 46. Afternoon Report of Counter Sales. Form used by The Portland Oregonian. Size, 4¼x7 inches.

COLLECTOR'S DAILY CITY CIRCULATION STATEMENT

The Paducah Evening Sun

INCORPORATED

Paducah, Kentucky

Date 5--22 1915 *J. W. Woods* *Collector*

PAY SUBS.	PAID IN ADVANCE	D. H. SUBS.	TOTAL	STOPS	NEW	COMPARISON		COLLEC- TIONS
						Increase	Decrease	
832	135	54	1021	7	0	0	7	\$10

Remarks

Form 49. Statement of Daily Collections. Size, 5x3 inches.


VII. MISCELLANEOUS FORMS

Daily Office Record - Sub-Stations

Weather Conditions.....191..

Station	Number Received		Time Arrival		Leaves	Stops	Com- plaints	Boys Who Failed to Report, at 4:45 P. M.	Papers left at 6 p. m.
	Regular	Extra	Regular	Extra					
A...									
B...									
C...									
West.									
North.									
South.									
Shelby.									
Senate.									
English.									


Form 50. Daily Office Record - Substations, Form used by The Indianapolis News. Size, 8½x12½ inches.

<p align="center">CARRIERS' PLEDGE —TO— THE INDIANAPOLIS NEWS</p>		
<p>I agree to make an effort to secure at least ONE NEW SUBSCRIBER within 48 hours.</p>		
<p>Carrier.....</p>		
Record No.....	Station.....	
<p align="center">NEW SUBSCRIBER</p>		
<p>Name</p>		
<p>Address.....</p>		
<p>NOTE—Additional pledges may be secured from your station manager.</p>		
<p align="center"> 40</p>		

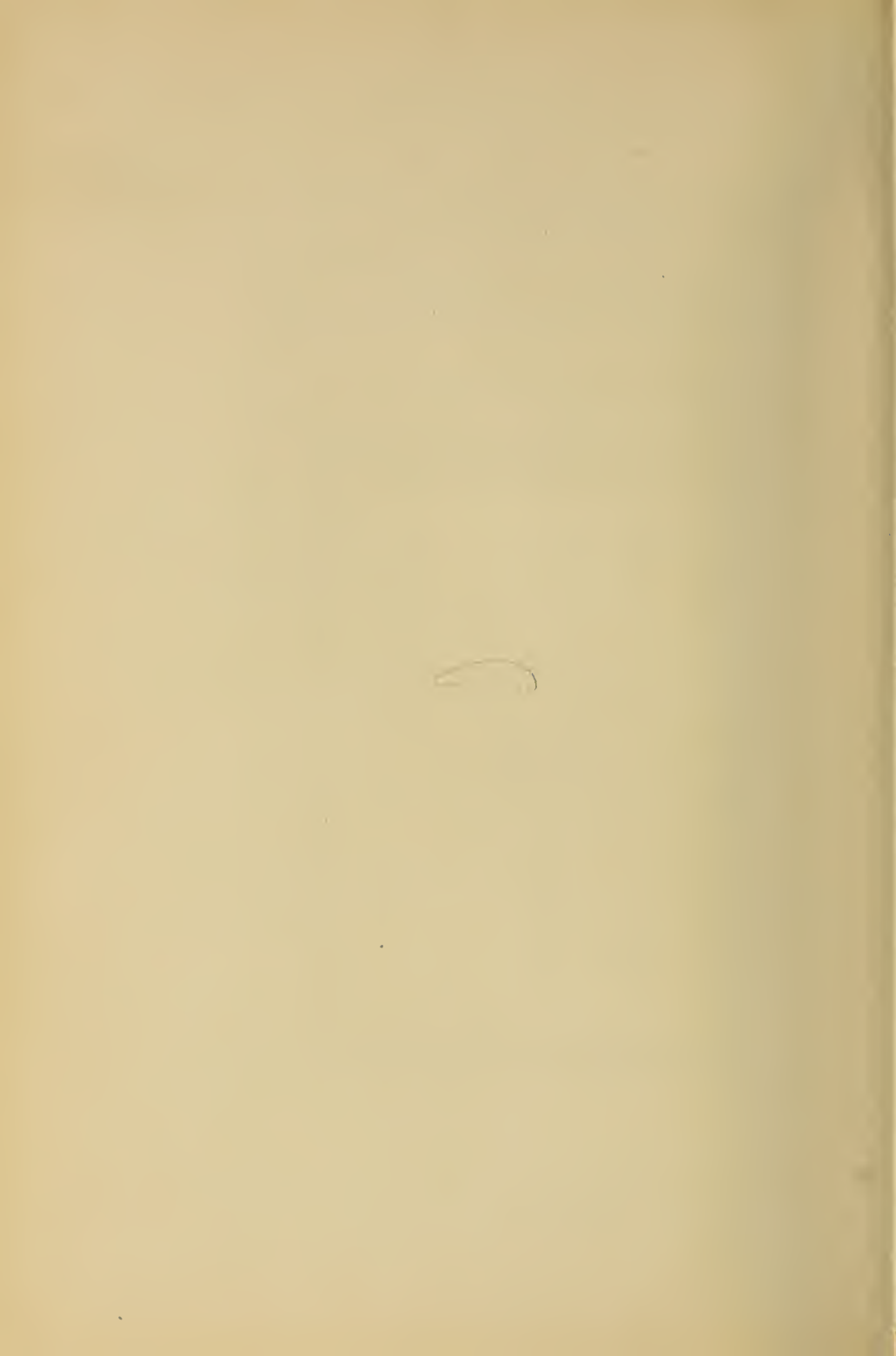
Form 51. Carrier's Pledge. Size, 5x3 inches.

<p align="center">Evening Post Coal Coupon</p>
<p align="right">Louisville, Ky.</p>
<p>TO THE EVENING POST CO.</p>
<p>Enter my order for tons of No. 1 Lump Evening Post Coal to —</p>
<p>.....</p>
<p>.....</p>
<p>at \$2.80 a ton (of 2,000 pounds), delivered in Louisville or suburbs.</p>
<p>.....</p>

Form 52. Coal Coupon.

<div style="border: 2px solid black; padding: 10px; text-align: center;">  <p style="font-size: 1.2em; margin: 0;">The Indianapolis News</p> <p style="font-size: 1.5em; margin: 0;">\$1.00 Christmas Offering \$1.00</p> <p style="margin: 0;"><i>To His Newsboys and Carriers</i></p> <p style="font-size: 0.8em; margin: 5px 0;">This order is good for ONE DOLLAR in merchandise, if presented to any advertiser of THE INDIANAPOLIS NEWS, within ten days.</p> <p style="font-size: 1.5em; margin: 0;">CD</p> <p style="margin: 0;">DECEMBER 25, 1914</p> <p style="margin: 0;">THE INDIANAPOLIS NEWS</p> <div style="border-top: 1px solid black; margin-top: 10px; text-align: left; font-size: 0.7em;"> <p>MANAGER CIRCULATION</p> <p>THIS ORDER IS NOT VALID UNLESS SIGNED IN INK BY J. M. SCHMID,</p> <p>MANAGER OF CIRCULATION.</p> </div> </div>	<p>NAME OF ADVERTISER _____</p> <p>RECORD NO. _____ STATION _____ DATE _____</p> <p>HOME ADDRESS _____</p> <p>NEWSBOY OR CARRIER'S SIGNATURE _____</p>
---	--

Form 53. Carrier's Christmas Coupon. Size, 6x3½ inches.



INDEX

A

Accounting, 210-219, 291-298
 analysis of, 213
 forms used in, 214
 present condition of, 211
 uniform system for newspapers, 210
 Accounts, forms relating to, 291-298
 Advertiser and publisher, relations between, 79
 Advertiser, The Montgomery, 20
 Advertiser, what he buys, 26
 Advertisers' attitude, 61
 Advertising
 effect of upon circulation, 34
 for circulation, 53
 news, paying for, 36
 not a commodity, 26
 policy, 30, 33
 revenue, 36, 62, 66
 Advertising and circulation
 coequal departments, 28
 co-operation, 169
 revenue, 60-67
 relation between, 36
 Advertising columns, ratio of
 news columns to, 37
 Advertising rates
 and circulation, 74-81
 and contests, 195
 comparison of 75
 not commensurate with circulation, 78
 table of, 75
 variations in, 74

Agents, 102, 130, 226, 255
 American Newspaper Publishers' Association, 22, 24
 American, The New York, 38, 54, 167, 205
 Applications for membership—
 Indianapolis News Association of Carriers, 271
 Arrears, 118, 226
 Association,
 benefit, 106, 273
 carriers', 94, 271
 Circulation Builders', 25
 Indianapolis News Carriers', 97
 International, Circulation Managers', 19
 of American Advertisers, 22
 Texas State Managers, 20
 Atlanta Constitution, The, 169
 Audit Bureau of Circulations, 21-24, 70, 80, 122, 210, 245
 circulation requirements, 212

B

Bad accounts, 86
 Baltimore News, The, 40
 Benefit association, 106, 279
 Bonus system for carriers, 117
 Boston circulation methods, 155
 Boston Globe, The, 36, 37
 Boston Post, The, 75, 155, 169, 205
 Brooklyn Eagle, The, 167, 185
 Bulletin, The Philadelphia, 68
 Bulletins, to carriers, 138, 145, 261
 International Circulation Managers' Association, 20

C

- Cancellations, 98, 119
 Canvassers, 104, 127
 Capital, The Des Moines, 187
 Carriers, 90-100, 110-113, 136, 261,
 271
 as aids to advertising depart-
 ment, 113
 as news reporters, 112
 controlling, 98
 extra compensation for, 137
 instructions to, 99
 sales efficiency of, 113
 the work of, 96
 Carriers' Association, 261
 Carriers' pledge, 300
 Cash discount *vs.* premiums, 178
 Centralized control, 95
 Charts, 44, 91, 123, 162
 Chicago Examiner, The, 79
 Chicago Herald, The, 21, 79
 Chicago News, The, 62, 66, 80, 211
 Chicago Tribune, The, 18, 36, 37,
 38, 40, 65, 76, 79, 84, 168, 170,
 177, 197, 205
 Christian Science Monitor, 155
 Chronicle, The Houston, 72, 145
 Cincinnati Enquirer, The, 39, 124
 Circulation
 advertising for, 53
 as a commodity, 26-29
 audit bureau of, 22
 building up, 126, 149
 campaigns, 149, 158
 city, 94, 108-120
 country, 90, 121, 125
 distribution of between city and
 country, 70
 economic limit of, 40
 effect of advertising policy upon,
 34
 effect of European War upon,
 52
 factors affecting, 30-43
 figures, honesty in, 21
 forced, 195
 foreign, 132
 limitations of Sunday edition,
 200
 mail, 103, 121, 128, 217
 methods in Boston, 155
 modern, conditions producing,
 18
 outside the retail radius, 123
 requirements of Audit Bureau,
 212
 requirements, standardization of,
 58
 rural, 126
 standard, fixing a, 68
 statistics, 71
 suburban, 125
 suburban and rural, 121-132
 troubles, analysis of, 149
 unprofitable, reducing, 80
 unsalable, 79
 Circulation accounting, 210-219
 analysis of, 213
 forms used in, 214
 present condition of, 211
 Circulation and advertising
 coequal departments, 28
 co-operation, 169
 rates, 74-81
 revenue, 60-67
 Circulation department
 a modern, 90-107
 and the subscriber, 120
 esprit de corps, 133-148
 organization chart, 91
 Circulation management
 general considerations, 57-60
 history of, 17-25
 modern, 44-56
 principles of, 57-89
 recent tendencies in, 24
 rise of the, 17

Circulation manager, 59
 duties, scope of, 55
 efficiency of, 135
 factors not controlled by, 30
 preparation for his work, 133
 qualifications of, 45
 responsibility of, 134
 Circulation revenue
 below production cost, 65
 vs. advertising revenue, 36
 Citizen-Press, The Jackson
 (Mich.), 88, 119, 125, 138, 179
 Citizen Press Jr., 140
 City circulation, 94, 108-120
 Clientele and price, relation between, 37
 Collections, 86, 96, 115-119, 264, 298
 forms relating to, 243, 244
 Columbus (Ohio) State Journal, The, 146
 Columbus (Ohio) Telegram, The, 118
 Combinations, 131
 Commercial-Appeal, The Memphis, 129
 Commissions, 127
 Competitive Conditions, Adverse, 30
 Complaints, 98, 114, 235, 241, 265
 Constitution, The Atlanta, 169
 Contests, 138, 188-198, 220
 cost of, 194
 details of, 191
 frequency of, 196
 in salesmanship, 189
 postal regulations of, 220
 psychology of, 188
 special place of, 197
 timeliness in, 191
 Country circulaion, handling, 100
 Coupons, 176, 222
 Courier-Journal, The Louisville, 64, 129, 214

Credit renewals, 226

D

Daily office record, sub-stations, 299
 Deadheads, eliminating, 84
 Definitions, 223
 Deliveries and subscriptions, forms relating to, 231-242
 Delivery,
 city, 94, 108, 231, 262
 country, 90, 231
 mail, 103, 217, 231
 Departmental co-operation, 46
 Des Moines Capital, The, 187
 Detroit News, The, 25 68
 Dispatch, The St Paul, 111
 Distribution, mechanism of, 93
 Distribution of circulation between city and country, 70
 District men, rules and regulations for, 267

E

Eagle, The Brooklyn, 167, 185
 Eagle, The Wichita, 116, 189
 Economic limit of circulation, 40
 Editorial
 influence, 157
 policy, 30
 Efficiency, 117, 135, 138, 140, 146
 Enquirer, The Cincinnati, 39, 124
 Esprit de corps
 among carriers, 99
 of circulation department, 133-148
 European War, the effect of upon circulation, 52
 Examiner, The Chicago, 79
 Expirations, 86, 118, 217

F

- Farmer's needs, meeting the, 128
 Features, special, 51, 159
 Foreign circulation, prestige *vs.*
 expense in, 132
 Forms, 231-301
 Fourth Estate, The, 20, 62, 131

G

- Gilt Edge Newspapers, The, 22,
 70, 76
 Globe, The Boston, 36, 37
 Globe, The New York Evening,
 22, 51, 86, 160, 165

H

- Hartford Times, The, 146
 Hearst, 19, 25, 31
 Hearst circulation methods, 156
 Herald, The Chicago, 21, 79
 Herald, The Louisville, 169
 Herald, The New York, 18, 38, 39,
 76, 78
 Home delivery systems, 110
 House organ as an efficiency me-
 dium, 140
 Houston Chronicle, The, 72, 145

I

- Increase of price, 35
 Indianapolis News Benefit Asso-
 ciation, 106, 273
 Indianapolis News Carriers' Asso-
 ciation, 97
 Indianapolis News, The, 37, 50, 63,
 72, 83, 90-107, 117, 121, 127,
 131, 185, 215
 Individual service to subscribers,
 92

Instructions

- to carriers, 99
 to solicitors, 104, 280
 International Circulation Mana-
 gers' Association, 19

J

- Jackson (Mich.) Citizen-Press,
 The, 88, 119, 125, 138, 179
 Journal, The New York Evening,
 32, 37, 51, 74, 75, 76, 78

L

- Ledger, The Philadelphia, 54
 Liability of subscribers, 118
 Local papers and state edition, 130
 Los Angeles Tribune, The, 178, 185
 Louisville Courier-Journal, The,
 64, 129, 214
 Louisville Herald, The, 169
 Louisville Post, The, 73, 168

M

- Mail edition, 72
 Mail, The New York Evening, 51,
 166, 169, 191, 208
 Mailing cost of second-class mat-
 ter, 224
 Mailing rates for news agents, 226
 Mailing room, 217, 227
 Memphis Commercial-Appeal,
 The, 129
 Metropolitan transient sales, 68
 Minneapolis News, The, 127
 Modern circulation department,
 90-107
 Monitor, The Christian Science,
 155
 Montgomery Advertiser, The, 20
 Munsey group, 25

N

New business, 86
 News agents, mailing rates, 226
 News columns, ratio of to advertising column, 37
 Newspaper and periodical rates, variations between, 74
 New subscribers, handling, 114
 News, The Baltimore, 40
 News, The Chicago, 62, 66, 80, 211
 News, The Detroit, 25, 68
 News, The Indianapolis, 37, 50, 63, 72, 83, 90-107, 117, 121, 127, 131, 183, 215
 News, The Minneapolis, 127
 News, The Toronto, 115, 117
 New York
 American, The, 38, 54, 167, 205
 Evening Globe, The, 22, 51, 86, 160, 165
 Evening Journal, The, 32, 37, 51, 74, 75, 76, 78
 Evening Mail, The, 51, 166, 169, 191, 208
 Evening Post, The, 17, 32, 38, 53, 152-154, 161, 170, 207
 Evening World, The, 37, 76, 168
 Herald, The, 18, 38, 39, 76, 78
 (Morning) World, The, 38, 42, 51, 54, 160, 174, 178
 Press, The, 205
 Sun, The, 38, 51, 86, 158, 160, 163, 167
 Times, The, 38, 40, 42, 50, 84, 85, 86, 154, 167, 170, 173, 200, 207
 Tribune, The, 33, 54, 87, 149, 152, 200

O

Omaha World-Herald, The, 72
 One-cent newspaper, 34

Oregonian, The Portland, 58, 87, 111, 128, 174, 215
 Organization
 chart, 91
 of circulation department, 90
 of newspaper departments, 44
 Outgoing mail, 227
 Overprint and returns, 82-85

P

Paducah (Ky.) Evening Sun, The, 63, 298
 Palladium, The Richmond (Ind.), 116
 Paper, 30
 color and quality of, 41
 Patronage, floating, holding the, 51
 Periodical and newspaper rates, variations between, 74
 Philadelphia Bulletin, The, 68
 Philadelphia carrier system, 109
 Philadelphia Ledger, The, 54
 Philadelphia Press, The, 205
 Pioneer-Press, The St. Paul, 111
 Portland (Ore.) carrier system, 111
 Portland Oregonian, The, 58, 87, 111, 128, 174, 215
 Postage, 18, 64, 224
 Postal definitions, 223
 Postal regulations of second-class mail 220-228
 Post-Dispatch, The St. Louis, 137, 202, 204
 Post-Office and the publisher, 220, 227
 Post, The Boston, 75, 155, 169, 205
 Post, The Louisville, 73, 168
 Post, The New York Evening, 17, 32, 38, 53, 152-154, 161, 170, 207
 Post, The Saturday Evening, 74, 147

- Premium plan
 advisability of, 183
 basic principles of, 173
 for periodicals, 175
 in practice, 182
 modified, 174
- Premiums, 127, 172-187
 as a means of approach, 186
 for mail subscriptions, 187
 in other lines of business, 180
 in the competitive field, 182
 policy of using, 172
 postal regulations of, 220
 psychology of, 179
 selection of, 184
vs. cash discount, 178
- Press run, 85, 260
- Press, The New York, 205
- Press, The Philadelphia, 205
- Price and clientele, 37
- Principles of circulation management, 57-89
- Production costs, 64, 65
- Publisher and advertiser, relation between, 79
- Publisher and the post-office, 220
- Publisher's policy, promoting the, 49
- Publishing organization, the ideal, 44
- Purchasing power of subscribers, 39
- R**
- Readers, keeping in touch with, 50
- Renewals, 85, 226, 249
- Reports, forms of, 245-260
- Retail trading radius, 70, 122-125
- Returns, 82, 203
- Returns and overprint, 82-85
- Revenue,
 advertising, 36, 62, 66
 circulation, 60, 65, 66
 fluctuations, 60
 gross, principle underlying, 66
 Rewards to carriers, 145
 Richmond (Ind.) Palladium, 116
- Rules,
 for carriers, 261
 for district men, 267
 for solicitors, 280
- Rural and suburban circulation, 121-132
- Rural circulation, 103, 126
vs. urban advertisers, 121
- Rural solicitors, 127
- Rural subscription schemes, 126
- S**
- Salaries, 18
- Sales
 in small cities, 69
 Metropolitan transient, 68
 possibilities, 68-73
- Salt Lake City Telegram, The, 126
- Sample copies, 224
- Saturday Evening Post, The, 74, 147
- Schenectady Union-Star, The, 48, 73
- Second-class matter, mailing cost of, 224
- Selling expense, 85-89, 128
- Selling price, 30, 34
- Service to subscribers, 92, 101, 115
- Shafer group, 25
- Slogans, 170
- Small cities, standard of sales in, 69
- Solicitors,
 force of, 147, 148
 instructions to, 104, 280
 rural, 127
- Special editions, 206
- Special features, 159-171
 appeals, 51, 160, 161

appeals, analysis of, 164
 broad effects of, 167
 in small newspapers, 170
 timeliness of, 168
 Star, The Washington, 37, 76, 146
 State edition, 103, 129, 130, 287
 and local papers, 130
 local distributions of, 130
 State Journal, The Columbus
 (Ohio), 146
 State or mail edition, 72
 Statistics of newspaper circula-
 tion, 71
 Stops, 98, 119, 235, 240, 265
 St. Louis Post-Dispatch, The, 137,
 202, 204
 St. Paul carrier system, 111
 St. Paul Dispatch, The, 111
 St. Paul Pioneer-Press, The, 111
 Street sales competition, 113
 Subscribers
 and circulation department, 120
 complaints from, 114
 holding, 159
 liability of, 118
 new, 114
 postal definitions of, 223
 purchasing power of, 39
 record of, 258
 reports on, 93
 Subscriptions, 126, 139, 215, 231,
 242
 and deliveries, forms relating to,
 231-242
 routine of handling, 215
 Sub-station managers, instructions
 to, 94
 Sub-stations, 94, 267
 Suburban and rural circulation,
 121-132
 Sunday edition, 199-206
 advertising in, 201
 and the magazine, 199
 circulation, 200, 205

selling, 202
 Sun, the New York, 38, 51, 86, 158,
 160, 163, 167
 Sun, The Paducah (Ky.) Evening,
 63, 298
 Supplements, 207-209

T

Tables, 64, 71, 75, 77
 Tariff, 61
 Telegram, The Columbus (Ohio),
 118
 Telegram, The Salt Lake City, 126
 Times, The Hartford, 146
 Times, The New York, 38, 40, 42,
 50, 84, 85, 86, 154, 167, 170,
 173, 200, 207
 Times, The Trenton, 61
 Toronto News, The, 115, 117
 Trading radius, retail, 70
 Trenton Times, The, 61
 Tribune, The Chicago, 18, 36, 37,
 38, 40, 65, 76, 79, 84, 168, 170,
 177, 197, 205
 Tribune, The Los Angeles, 178,
 185
 Tribune, The New York, 33, 54,
 87, 149, 152, 200
 Typographical dress, 30, 34, 40

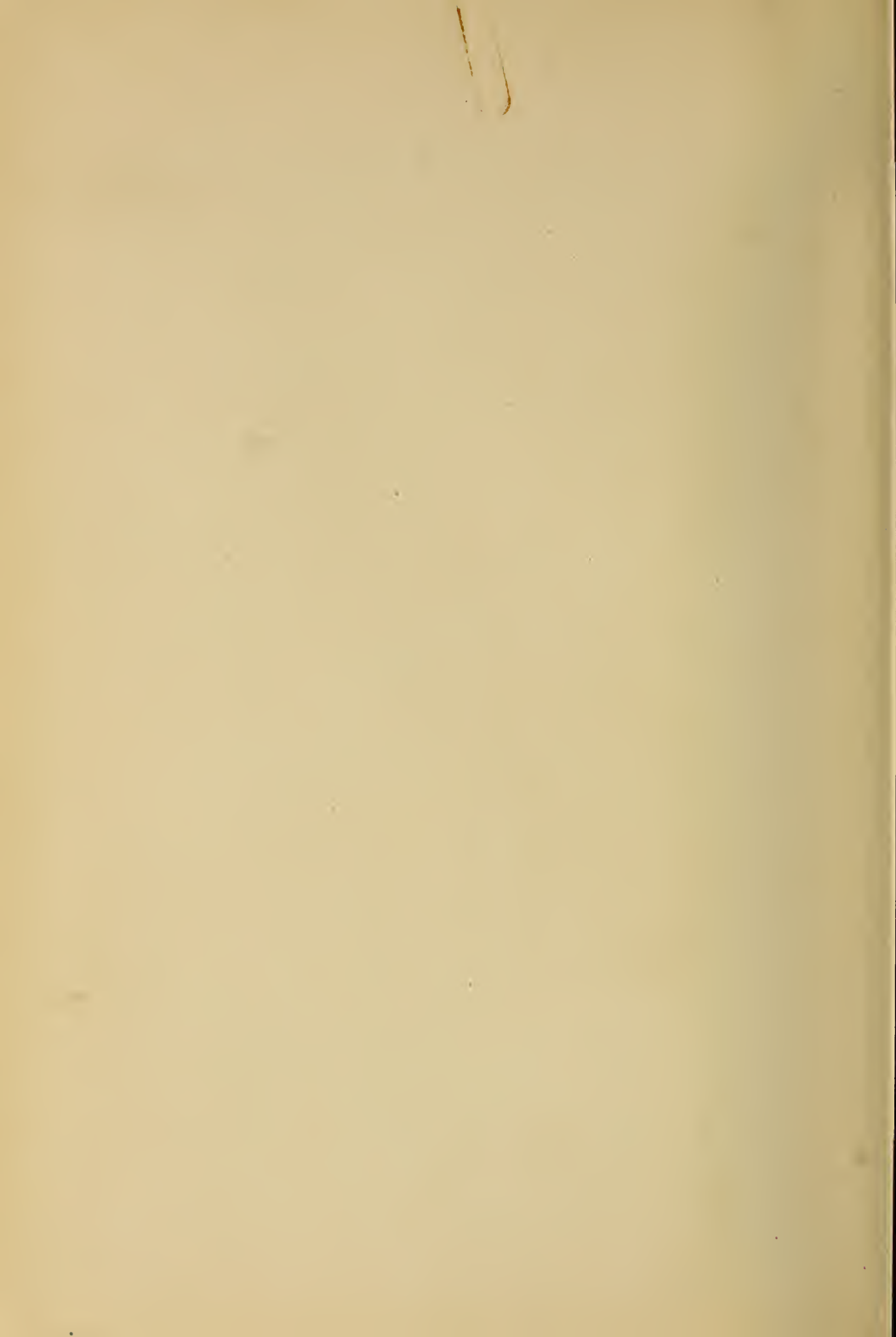
U

Union-Star, The Schenectady, 48,
 73
 Urban advertisers *vs.* rural circu-
 lation, 121

W

Washington Star, The, 37, 76, 146
 Waste, cutting down, 85
 Wichita Eagle, The, 116, 189
 World Herald, The Omaha, 72

- World, The New York Evening, 37, 76, 168
- World, The New York (Morning), 38, 42, 51, 54, 160, 174, 178



Deacidified using the Bookkeeper process.
Neutralizing agent: Magnesium Oxide
Treatment Date: Nov. 2007

PreservationTechnologies
A WORLD LEADER IN COLLECTIONS PRESERVATION

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